

U.S. Department of Justice

Washington, DC 20530

**Supplemental Statement****Pursuant to the Foreign Agents Registration Act of 1938, as amended**For Six Month Period Ending 5/31/13

(Insert date)

**I - REGISTRANT**

1. (a) Name of Registrant

Farrow, Jeffrey L.

(b) Registration No.

5938

(c) Business Address(es) of Registrant

1750 K Street, NW

Suite 700

Washington, DC 20006

2. Has there been a change in the information previously furnished in connection with the following?

(a) If an individual:

(1) Residence address(es)

Yes ☐No ☒

(2) Citizenship

Yes ☐No ☒

(3) Occupation

Yes ☐No ☒

(b) If an organization:

(1) Name

Yes ☐No ☐

(2) Ownership or control

Yes ☐No ☐

(3) Branch offices

Yes ☐No ☐

(c) Explain fully all changes, if any, indicated in Items (a) and (b) above.

**IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, AND 5(a).**3. If you have previously filed Exhibit C<sup>1</sup>, state whether any changes therein have occurred during this 6 month reporting period.Yes ☐No ☐

If yes, have you filed an amendment to the Exhibit C?

Yes ☐No ☐

If no, please attach the required amendment.

<sup>1</sup> The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period?

Yes ☐No ☐

If yes, furnish the following information:

Name

Position

Date Connection Ended

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?

Yes ☐No ☐

If yes, furnish the following information:

Name

Residence Address

Citizenship

Position

Date Assumed

5. (a) Has any person named in Item 4(b) rendered services directly in furtherance of the interests of any foreign principal?

Yes ☐No ☐

If yes, identify each such person and describe the service rendered.

(b) During this six month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes ☐ No ☒

Name

Residence Address

Citizenship

Position

Date Assumed

(c) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name

Position or Connection

Date Terminated

(d) Have any employees or individuals, who have filed a short form registration statement, terminated their connection with any foreign principal during this 6 month reporting period? Yes ☒ No ☐

If yes, furnish the following information:

Name

Position or Connection  
ConsultantForeign Principal  
Republic of PalauDate Terminated  
4/13/13

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(b) of the supplemental statement?

Yes ☐No ☐

If no, list names of persons who have not filed the required statement.

## II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period? Yes ☒ No ☐  
If yes, furnish the following information:

Foreign Principal  
Republic of Palau

Date of Termination  
4/13/13

8. Have you acquired any new foreign principal(s)<sup>2</sup> during this 6 month reporting period? Yes ☐ No ☒  
If yes, furnish the following information:

Name and Address of Foreign Principal(s)

Date Acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principal(s)<sup>2</sup> whom you continued to represent during the 6 month reporting period.

10. (a) Have you filed exhibits for the newly acquired foreign principal(s), if any, listed in Item 8?

Exhibit A<sup>3</sup> Yes ☐ No ☐

Exhibit B<sup>4</sup> Yes ☐ No ☐

If no, please attach the required exhibit.

- (b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period? Yes ☐ No ☒

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☐

If no, please attach the required amendment.

<sup>2</sup> The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9)). A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

<sup>3</sup> The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157) sets forth the information required to be disclosed concerning each foreign principal.

<sup>4</sup> The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, or 9 of this statement? Yes ☒ No ☐

If yes, identify each foreign principal and describe in full detail your activities and services:

Republic of Palau -- Advisory and advocacy services regarding the extension of United States assistance provided pursuant to the Compact of Free Association with the United States and related U.S. law through Fiscal Year 2013 and the Fifteenth Anniversary Review of the Compact and related agreements pursuant to Compact Section 432. Also, U.S. Postal Service to Palau, U.S. company claim against Palau, Palau ship registry, fiber optic cable link to Palau, Chinese fishing vessels in Palauan waters, Palau votes in U.N.

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>5</sup> as defined below?

Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

See attached.

13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits your foreign principal(s)? Yes ☐ No ☒

If yes, describe fully.

<sup>5</sup> The term "political activity" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

## IV - FINANCIAL INFORMATION

## 14. (a) RECEIPTS-MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes ☒ No ☐

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.<sup>6</sup>

Date	From Whom	Purpose	Amount
1/9	Republic of Palau	Compensation	\$ 7,000.00
1/9	Republic of Palau	Compensation	\$ 5,500.00
1/27	Republic of Palau	Compensation	\$ 6,000.00

\$ 18,500.00

Total

## (b) RECEIPTS - FUNDRAISING CAMPAIGN

During this 6 month reporting period, have you received, as part of a fundraising campaign<sup>7</sup>, any money on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes ☐ No ☒

If yes, have you filed an Exhibit D to your registration? Yes ☐ No ☐

If yes, indicate the date the Exhibit D was filed. Date \_\_\_\_\_

## (c) RECEIPTS-THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value<sup>9</sup> other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes ☐ No ☒

If yes, furnish the following information:

Foreign Principal	Date Received	Thing of Value	Purpose
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6, 7 A registrant is required to file an Exhibit D if he collects or receives contributions, loans, moneys, or other things of value for a foreign principal, as part of a fundraising campaign. (See Rule 201(e)).

8 An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fundraising campaign and transmitted for a foreign principal.

9 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

**15. (a) DISBURSEMENTS-MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes ☒ No ☐(2) transmitted monies to any such foreign principal? Yes ☐ No ☒

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
12/31/12	U.S. Department of Justice	Supplemental Filing Fee	\$ 305.00

\$ 305.00

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Total

(b) **DISBURSEMENTS-THINGS OF VALUE**

During this 6 month reporting period, have you disposed of anything of value<sup>10</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes ☐

No ☒

If yes, furnish the following information:

Date	Recipient	Foreign Principal	Thing of Value	Purpose
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(c) **DISBURSEMENTS-POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>11</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes ☐

No ☒

If yes, furnish the following information:

Date	Amount or Thing of Value	Political Organization or Candidate	Location of Event
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10, 11 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

## V - INFORMATIONAL MATERIALS

16. (a) During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials?<sup>12</sup>  
 Yes ☒ No ☐

If Yes, go to Item 17.

- (b) If you answered No to Item 16(a), do you disseminate any material in connection with your registration?  
 Yes ☐ No ☐

If Yes, please forward the materials disseminated during the six month period to the Registration Unit for review.

17. Identify each such foreign principal.  
 Republic of Palau (see attachment).

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes ☐ No ☒  
 If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- ☐ Radio or TV broadcasts ☐ Magazine or newspaper ☐ Motion picture films ☐ Letters or telegrams  
☐ Advertising campaigns ☐ Press releases ☐ Pamphlets or other publications ☐ Lectures or speeches  
☐ Other (specify) \_\_\_\_\_

## Electronic Communications

- ☒ Email  
☐ Website URL(s): \_\_\_\_\_  
☐ Social media websites URL(s): \_\_\_\_\_  
☐ Other (specify) \_\_\_\_\_

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- ☐ Public officials ☐ Newspapers ☐ Libraries  
☒ Legislators ☐ Editors ☐ Educational institutions  
☒ Government agencies ☐ Civic groups or associations ☐ Nationality groups  
☐ Other (specify) \_\_\_\_\_

21. What language was used in the informational materials:

- ☒ English ☐ Other (specify) \_\_\_\_\_

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes ☒ No ☐

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act?  
 Yes ☒ No ☐

<sup>12</sup> The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.



**VI - EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

(Print or type name under each signature or provide electronic signature<sup>13</sup>)

6/25/13

Jeffrey L. Farrow

Jeffrey L. Farrow

<sup>13</sup> This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

Attachment to Item 12  
Supplemental Statement for Period Ending 5/31/13  
Jeffrey L. Farrow, Reg. # 5938

Date	Professional	Name & Title	Agency	Subject	Method of Contact
12/1	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Isaac Edwards, Minority Counsel	Senate Committee on Energy and Natural Resources	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Brian Modeste, Staffer for Insular Affairs, Subcommittee on Insular Affairs, Oceans, and Wildlife	House of Reps.	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Ur M. Jaddou	State Dept.	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Edgard Kagan	State Dept.	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Bonnie Bruce, Legislative Staff	House Natural Resources Committee	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Isaac Edwards, Minority Counsel	Senate Committee on Energy and Natural Resources	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Brian Modeste, Staffer for Insular Affairs, Subcommittee on Insular Affairs, Oceans, and Wildlife	House of Reps.	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Todd Young	House of Reps.	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Bob Simon	Senate Committee on Energy and Natural Resources	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Robert Karem, Roger Mahan, Michael Catanzaro, Nien Su, Cindy Herrie, Jennifer Stewart	House of Reps.	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Christian Brose, Legislative Assistant	House of Reps.	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Rachel Taylor, Margaret Cumminsky	Senate Committee on Appropriations	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Kawe Mossman, Legislative Assistant	Office of Senator Inouye	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Rick Healy	House of Reps.	Palau's voting record in the United Nations	Email
12/3	Jeffrey Farrow	Jason Gray	House of Reps.	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Brian Modeste, Staffer for Insular Affairs, Subcommittee on Insular Affairs, Oceans, and Wildlife	House of Reps.	Meeting logistics	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
	Jeffrey Farrow	Nien Su	House Foreign Affairs Committee	Palau Free Association Agreement	Phone
	Jerry Weller	Kate Barlow, Tom Sheehy, Nien Su	House Foreign Affairs Committee	Palau Free Association Agreement	Email
12/4	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/5	Jeffrey Farrow	Edgard Kagan	State Dept.	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone

Attachment to Item 12  
Supplemental Statement for Period Ending 5/31/13  
Jeffrey L. Farrow, Reg. # 5938

12/6	Jeffrey Farrow	Priscilla Koepke, Nien Su, Doug Anderson	House of Reps.	Continuing Resolution funding for Palau	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
	Jeffrey Farrow	Tom Bussanich, Director, Budget Division, Office of Insular Affairs	Dept. of Interior	Palau Free Association Agreement	Phone
12/7	Jeffrey Farrow	Robert Karem	House Minority L???	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Compact Legislation	Email
	Jeffrey Farrow	Ur Jaddou, Ed Kagan	State Dept.	Funding vehicle for Compact legislation	Email
	Jerry Weller	Brett Loper	House Speaker's Office	Palau Free Association Agreement	Email
	Jerry Weller	Doug Anderson	House Natural Resources Committee	Palau Free Association Agreement	Email
	Jerry Weller	Nien Su	House Foreign Affairs Committee	Palau Free Association Agreement	Email
	Jerry Weller	Robert Karem	House Minority L???	Palau Free Association Agreement	Email
12/8	Jeffrey Farrow	Ur Jaddou, Ed Kagan	State Dept.	Funding vehicle for Compact legislation	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Funding vehicle for Compact legislation	Email
12/10	Jeffrey Farrow	Robert Karem, Jen Stewart, Roger Mahan, Cindy Herrie, Doug Anderson, Nien Su, Todd Young, Bonnie Bruce, Priscilla Koepke	House of Reps.	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/11	Jeffrey Farrow	Kawe Mossman, Rachel Taylor	Senate Committee on Appropriations	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Allen Stayman, Isaac Edwards	Senate Committee on Energy and Natural Resources	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Jason Gray, Dave Lesstrang, Rick Healy	House of Reps.	Aid for tropical storm damage in Palau	Email
	Jerry Weller	Robert Karem	House Minority L???	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/12	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Trust Fund	Email
	Jeffrey Farrow	Allen Stayman, Isaac Edwards	Senate Committee on Energy and Natural Resources	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Ur Jaddou, Jesse Tampio, Ed Kagan	State Dept.	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Nik Pula, Tom Bussanich, Eileen Sobeck	Dept. of Interior	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Jen Stewart, Cindy Herrie	House of Reps.	Aid for tropical storm damage in Palau	Email
	Jerry Weller	Robert Karem	House Minority L???	Palau Free Association Agreement	Email

Attachment to Item 12  
Supplemental Statement for Period Ending 5/31/13  
Jeffrey L. Farrow, Reg. # 5938

	Jerry Weller	Roger Mahan	House Speaker's Office	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/13	Jerry Weller	Jo Marie Davis	House Speaker's Office	Palau Free Association Agreement	Email
	Jerry Weller	Neal Bradley	House Minority L???	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/14	Jeffrey Farrow	Brian Modeste, Staffer for Insular Affairs, Subcommittee on Insular Affairs, Oceans, and Wildlife	House of Reps.	Palau Free Association Agreement	Phone
12/17	Jeffrey Farrow	Pat Hill, Joan Ohashi, Arun Revana	Office of Senator Akaka	Compact Legislation	Email
	Jeffrey Farrow	Christian Brose, Legislative Assistant	Senate Armed Services Committee	Compact Legislation	Email
	Jeffrey Farrow	Rebecca Talent	Office of Senator McCain	Compact Legislation	Email
	Jeffrey Farrow	Paul Reagan, David Bonnie	Office of Senator Webb	Compact Legislation	Email
	Jeffrey Farrow	Matthew Herrmann, Legislative Director, Del. Madeleine Bordallo	House of Reps.	Compact Legislation	Email
	Jerry Weller	Robert Karem, Neil Bradley	House Minority L???	Palau Free Association Agreement	Email
	Jerry Weller	Jen Stewart, Roger Mahan	House Speaker's Office	Palau Free Association Agreement	Email
	Jerry Weller	Nien Su, Doug Anderson	House Foreign Affairs Committee	Palau Free Association Agreement	Email
	Jeffrey Farrow	Matthew Herrmann, Legislative Director, Del. Madeleine Bordallo	House of Reps.	Palau Free Association Agreement	Phone
12/18	Jerry Weller	Robert Karem, Neil Bradley	House Minority L???	Palau Free Association Agreement	Email
	Jerry Weller	Jen Stewart, Roger Mahan	House Speaker's Office	Palau Free Association Agreement	Email
	Jerry Weller	Nien Su, Doug Anderson	House Foreign Affairs Committee	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/19	Jeffrey Farrow	Christian Brose, Legislative Assistant	Senate Armed Services Committee	Aid for tropical storm damage in Palau	Email
	Jerry Weller & Jeffrey Farrow	Victor Cervino	Office of Senator Rubio	Aid for tropical storm damage in Palau	Email
	Jerry Weller & Jeffrey Farrow	Victor Cervino	Office of Senator Rubio	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Kawe Mossman, Jessica Lee, Marie Blanco, Erickson Miller	Office of Senator Inouye	Condolences	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Ur Jaddou, Ed Kagan	State Dept.	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Jennifer Sabas, Jinny Okubo	Office of Senator Inouye	Condolences	Email

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Jeffrey L. Farrow, Reg. # 5938

	Jerry Weller	Joel Starr	U.S. Senate	Palau Free Association Agreement	Phone
12/21	Jeffrey Farrow	Anne Fiala	Office of Senator Schumer	Aid for tropical storm damage in Palau	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
12/23	Jeffrey Farrow	Eliav Benjamin, Counselor for Political Affairs	Embassy of Israel	Palau's voting record in the United Nations	Email
	Jeffrey Farrow	Ur M. Jaddou	State Dept.	Palau Free Association Agreement	Phone
12/25	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Funding offset for Compact legislation	Email
12/26	Jeffrey Farrow	Eliav Benjamin, Counselor for Political Affairs	Embassy of Israel	Funding vehicle for Compact legislation	Email
	Jerry Weller	Robert Karem, Neil Bradley	House Minority L???	Palau Free Association Agreement	Email
	Jerry Weller	Jennifer Stewart, Roger Mahan	House Speaker's Office	Palau Free Association Agreement	Email
	Jerry Weller	Nien Su, Doug Anderson	House Foreign Affairs Committee	Palau Free Association Agreement	Email
12/27	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Email
	Jeffrey Farrow	Ur Jaddou, Ed Kagan	State Dept.	Palau Free Association Agreement	Email
12/28	Jeffrey Farrow	Christian Brose, Legislative Assistant	Senate Armed Services Committee	Funding vehicle for Compact legislation	Email
1/2	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
1/7	Jeffrey Farrow	Ur Jaddou, Ed Kagan	State Dept.	Palau Free Association Agreement	Email
	Jeffrey Farrow	Nik Pula, Tom Bussanich	Dept. of Interior	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
	Jeffrey Farrow	Tom Bussanich, Director, Budget Division, Office of Insular Affairs	Dept. of Interior	Palau Free Association Agreement	Phone
1/9	Jeffrey Farrow	Tom Bussanich, Director, Budget Division, Office of Insular Affairs	Dept. of Interior	Palau Free Association Agreement	Phone
1/15	Jerry Weller	Nien Su	House Foreign Affairs Committee	Palau Free Association Agreement	Email
1/16	Jerry Weller	Nien Su	House Foreign Affairs Committee	Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone
	Jeffrey Farrow	Brian Modeste, Staffer for Insular Affairs, Subcommittee on Insular Affairs, Oceans, and Wildlife	House of Reps.	Palau Free Association Agreement	Phone
1/17	Jeffrey Farrow	Nien Su	House Foreign Affairs Committee	Background on Palau Free Association Agreement	Email
	Jeffrey Farrow	Allen Stayman, Professional Staff Member	Senate Committee on Energy and Natural Resources	Palau Free Association Agreement	Phone

Jeffrey L. Farrow <jfarrow@olivergroupinc.com> F

December 1, 2012 12:24 PM

To: Al Stayman <allen\_stayman@energy.senate.gov>, Bonnie Bruce <bonnie.bruce@mail.house.gov>, Isaac Edwards <isaac.edwards@energy.senate.gov>, Brian Modeste <Brian.Modeste@mail.house.gov>, Todd Young <todd.young@mail.house.gov>, bob.simon@energy.senate.gov  
Palau one of few votes w/US & Israel re Palestine

From the UN news release (with my highlighting):

The draft resolution on the Status of Palestine at the United Nations (document A/67/L.28) was adopted by a recorded vote of 138 in favour to 9 against, with 41 abstentions, as follows:

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Austria, Azerbaijan, Bahrain, Bangladesh, Belarus, Belgium, Belize, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Cape Verde, Central African Republic, Chad, Chile, China, Comoros, Congo, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Democratic People's Republic of Korea, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Finland, France, Gabon, Gambia, Georgia, Ghana, Greece, Grenada, Guinea, Guinea-Bissau, Guyana, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Lesotho, Libya, Liechtenstein, Luxembourg, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Myanmar, Namibia, Nepal, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Peru, Philippines, Portugal, Qatar, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Saudi Arabia, Senegal, Serbia, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Africa, South Sudan, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Switzerland, Syria, Tajikistan, Thailand, Timor-Leste, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Tuvalu, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Uzbekistan, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Canada, Czech Republic, Israel, Marshall Islands, Micronesia (Federated States of), Nauru, Palau, Panama, United States.

Abstain: Albania, Andorra, Australia, Bahamas, Barbados, Bosnia and Herzegovina, Bulgaria, Cameroon, Colombia, Croatia, Democratic Republic of the Congo, Estonia, Fiji, Germany, Guatemala, Haiti, Hungary, Latvia, Lithuania, Malawi, Monaco, Mongolia, Montenegro, Netherlands, Papua New Guinea, Paraguay, Poland, Republic of Korea, Republic of Moldova, Romania, Rwanda, Samoa, San Marino, Singapore, Slovakia, Slovenia, The former Yugoslav Republic of Macedonia, Togo, Tonga, United Kingdom, Vanuatu.

Absent: Equatorial Guinea, Kiribati, Liberia, Madagascar, Ukraine.

Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
Cc: Jason Gray <jason.gray@mail.house.gov>  
Palau one of few votes w/US & Israel on Palestine

December 3, 2012 10:17 AM

From the UN news release (with my highlighting):

The draft resolution on the Status of Palestine at the United Nations (document A/67/L.28) was adopted by a recorded vote of 138 in favour to 9 against, with 41 abstentions, as follows:

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Austria, Azerbaijan, Bahrain, Bangladesh, Belarus, Belgium, Belize, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Cape Verde, Central African Republic, Chad, Chile, China, Comoros, Congo, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Democratic People's Republic of Korea, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Finland, France, Gabon, Gambia, Georgia, Ghana, Greece, Grenada, Guinea, Guinea-Bissau, Guyana, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Lesotho, Libya, Liechtenstein, Luxembourg, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Myanmar, Namibia, Nepal, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Peru, Philippines, Portugal, Qatar, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Saudi Arabia, Senegal, Serbia, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Africa, South Sudan, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Switzerland, Syria, Tajikistan, Thailand, Timor-Leste, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Tuvalu, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Uzbekistan, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Canada, Czech Republic, Israel, Marshall Islands, Micronesia (Federated States of), Nauru, Palau, Panama, United States.

Abstain: Albania, Andorra, Australia, Bahamas, Barbados, Bosnia and Herzegovina, Bulgaria, Cameroon, Colombia, Croatia, Democratic Republic of the Congo, Estonia, Fiji, Germany, Guatemala, Haiti, Hungary, Latvia, Lithuania, Malawi, Monaco, Mongolia, Montenegro, Netherlands, Papua New Guinea, Paraguay, Poland, Republic of Korea, Republic of Moldova, Romania, Rwanda, Samoa, San Marino, Singapore, Slovakia, Slovenia, The former Yugoslav Republic of Macedonia, Togo, Tonga, United Kingdom, Vanuatu.

Absent: Equatorial Guinea, Kiribati, Liberia, Madagascar, Ukraine.

Jeff

Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
To: Brian Modeste  
Re: Travel to Palau

December 3, 2012 4:05 PM

Yes

On Dec 3, 2012, at 3:59 PM, "Modeste, Brian" <brian.modeste@mail.house.gov> wrote:

Hi Jeff - Kilili emailed me over the weekend. He wants to travel to Palau for Tommy's inauguration. Can you ask Ambassador Keyotō to secure letters of invitations for both Kilili and Chairman Fleming for the inauguration? This will go a long way on getting approval for Kilili's trip. Thanks.

Brian L. Modeste  
Counsel, Subcommittee on Fisheries, Wildlife, Oceans & Insular Affairs  
Committee on Natural Resources  
Democratic Staff  
186 Ford House Office Building  
Washington, DC 20515  
202.225.6065  
[brian.modeste@mail.house.gov](mailto:brian.modeste@mail.house.gov)

Connect with the Committee Democrats [Website](#) | [Twitter](#) | [Facebook](#) | [Youtube](#)



Jeffrey L. Farrow <jfarrow@olivergroupinc.com> F  
 To: Jason Gray <jason.gray@mail.house.gov>  
 Palau & Israel only US votes in UN today on Cuba

December 3, 2012 8:12 PM

1 Attachment, 41 KB

Palau and Israel were the only members of the U.N. General Assembly to join the U.S. Nov. 14 in opposing a resolution against the U.S. Cuba embargo. Jeff Farrow

DOCUMENT: VOTE\_0496.txt PRINTED AT: 12/11/2012 12:41:42 PM

GENERAL ASSEMBLY  
 67TH  
 DATE: 13 NOV 12  
 TIME: 17:43 PM  
 VOTE: 2  
 YES: 150  
 NO: 3  
 ABSTAIN: 2  
 RESOLUTION 67/4  
 SUBJECT: NECESSITY OF ENDING THE ECON. COMM. FIN EMBARGO BY US AGAINST CUBA

Y AFGHANISTAN	Y DOMINICA	Y LIECHTENSTEIN	Y SAMOA
Y ALBANIA	Y DOMINICAN REP	Y LITHUANIA	Y SAN MARINO
Y ALGERIA	Y ECUADOR	Y LUXEMBOURG	Y S TOME PRINCE
Y ANDORRA	Y EGYPT	Y MADAGASCAR	Y SAUDI ARABIA
Y ANGOLA	Y EL SALVADOR	Y MALAWI	Y SENEGAL
Y ANTIQUA-BARBUDA	Y COC CAT GULFIA	Y MALAYSIA	Y SERBIA
Y ARGENTINA	Y LK TRUA	Y MALDIVES	Y SEYCHELLES
Y ARMENIA	Y LESOTHO	Y MALI	Y SIERRA LEONE
Y AUSTRALIA	Y ETHIOPIA	Y MALTA	Y SINGAPORE
Y AUSTRIA	Y FIJI	Y MARSHALL ISLANDS	Y SLOVAKIA
Y AZERBAIJAN	Y FINLAND	Y MAURITANIA	Y SLOVENIA
Y BANGLADESH	Y FRANCE	Y MAURITIUS	Y SOLOMON ISLANDS
Y BARBADOS	Y GABON	Y MEXICO	Y SOMALIA
Y BELARUS	Y GAMBIA	Y MICRONESIA (FS)	Y SOUTH AFRICA
Y BELGIUM	Y GEORGIA	Y MONACO	Y SOUTH SUDAN
Y BENIN	Y GERMANY	Y MONGOLIA	Y SPAIN
Y BHUTAN	Y GRENADA	Y MONTENEGRO	Y SRI LANKA
Y BOLIVIA	Y GUATEMALA	Y MOROCCO	Y SUDAN
Y BOSNIA/HERZEG	Y GUINEA	Y MOZAMBIQUE	Y SURINAME
Y BOTSWANA	Y GUINEA-BISSAU	Y MYANMAR	Y SWAZILAND
Y BRAZIL	Y HAITI	Y NAMIBIA	Y SWEDEN
Y BRUNEI DAR-SALAM	Y HONDURAS	Y NAURU	Y SWITZERLAND
Y BULGARIA	Y HUNGARY	Y NEPAL	Y SYRIAN AR
Y BURUNDI	Y ICELAND	Y NETHERLANDS	Y TAJIKISTAN
Y CAMBODIA	Y INDIA	Y NEW ZEALAND	Y THAILAND
Y CAMEROON	Y INDONESIA	Y NICARAGUA	Y THER MACEDONIA
Y CANADA	Y IRAN (ISL R)	Y NIGER	Y THOR-LESTE
Y CAPE VERDE	Y IRAQ	Y NORWAY	Y TOGO
Y CENTRAL AFR REP	Y ISRAEL	Y OMAN	Y TONGA
Y CHAD	Y ITALY	Y PAKISTAN	Y TRINIDAD-TOBAGO
Y CHILE	Y JAMAICA	Y PANAMA	Y TUNISIA
Y CHINA	Y JAPAN	Y PARAGUAY	Y TURKEY
Y COLOMBIA	Y KAZAKHSTAN	Y PERU	Y TURKMENISTAN
Y COMOROS	Y KENYA	Y PHILIPPINES	Y UGANDA
Y CONGO	Y KIRIBATI	Y POLAND	Y UGANDA
Y COSTA RICA	Y KUWAIT	Y PORTUGAL	Y UNITED KINGDOM
Y COTE D'IVOIRE	Y KYRGYZSTAN	Y QATAR	Y UNITED STATES
Y CROATIA	Y LAOS PDR	Y REP OF KOREA	Y UZBEKISTAN
Y CUBA	Y LATVIA	Y REP OF MOLDOVA	Y VANUATU
Y CYPRUS	Y LEBANON	Y ROMANIA	Y VENEZUELA
Y CZECH REPUBLIC	Y LESOTHO	Y RUSSIAN FED	Y VIET NAM
Y DPR OF KOREA	Y LIBERIA	Y RWANDA	Y YEMEN
Y DEM REP OF CONGO	Y LIECHTENSTEIN	Y ST KITTS-NEVIS	Y ZAMBIA
Y DENMARK	Y LITHUANIA	Y SAINT LUCIA	Y ZIMBABWE
Y DOMINICAN REP	Y LUXEMBOURG	Y ST VINCENT-GREEN	

Jeffrey L Farrow <jfarrow@olivergroupinc.com>  
To: Edgar Kagan <KaganED@state.gov>  
Fwd: Super Typhoon Bopha - Palau

December 5, 2012 12:54 PM

Sent from my iPhone

Begin forwarded message:

From: "Slayman, Allen (Energy)" <Allen\_Slayman@energy.senate.gov>  
Date: December 5, 2012 12:50:39 PM EST  
To: "Seneviratne, Anusha F." <SeneviraAF@state.gov>; "Keren Gatz" <GalzKI@state.gov>; "GalzKI" <GalzKI@state.gov>  
Cc: "Modeste, Brian" <Brian.Modeste@mail.house.gov>; "Edwards, Isaac (Energy)" <Isaac\_Edwards@energy.senate.gov>; "Bruce, Bonnie" <Bonnie.Bruce@mail.house.gov>; "McLellan-Ross, Maria (Webb)" <Maria\_McLellanRoss@webb.senate.gov>; "Baptiste, Lopaka (Akaka)" <Robert\_Baptiste@akaka.senate.gov>; "Su, Nien" <Nien.Su@mail.house.gov>; "Mossman, Kawe (Inouye)" <Kawe\_Mossman@inouye.senate.gov>  
Subject: Super Typhoon Bopha - Palau

Anusha, Karen:

On behalf of the joint House-Senate Resources Committee staff that handle insular affairs, I am writing to make a request for a briefing or conference call this week with appropriate ANP and USAID experts on the situation in Palau as a result of Super Typhoon Bopha.

I've gotten indirect reports that there is widespread damage and that communications have not been established with the Southern communities of Peleliu, Anguar, Sonsorol, and Tobi – those islands closest to the eye of the storm.

Unlike other U.S.-affiliated Pacific islands, Palau is not eligible for FEMA programs and assistance. However, approval of the pending Compact extension Agreement would make available immediately nearly \$37 million in construction and maintenance funding to assist in the Palau government's response and recovery from this disaster.

AI

[http://www.pacificnewscenter.com/index.php?option=com\\_content&view=article&id=29594:oceania-ty-palau-declares-state-of-emergency-in-wake-of-super-typhoon-bopha&catid=45:guam-news&Itemid=156](http://www.pacificnewscenter.com/index.php?option=com_content&view=article&id=29594:oceania-ty-palau-declares-state-of-emergency-in-wake-of-super-typhoon-bopha&catid=45:guam-news&Itemid=156)

Jeffrey L Farrow <jlfarrow@olivergroupinc.com>  
To: Priscilla Koepke <Priscilla.Koepke@mail.house.gov>, Nien Su <nien.su@mail.house.gov>, Doug Anderson <doug.anderson@mail.house.gov>  
Cc: Jerry Weller <Jerry.Weller@usstrategies.com>  
Updating of Palau language

December 6, 2012 11:38 AM

Priscilla et. al. I think that the Palau language (H.R. 6040) should be updated. It would have provided initial funding in FY12 (which we've passed, of course). This should not be difficult.

Jeff  
202-744-3995 c:

Jeffrey L Farrow <jfarrow@olivergroupinc.com>  
To: "Karem, Robert Story" <Robert.Karem@mail.house.gov>  
Cc: Jerry C Weller <jweller@nwgpublicaffairs.com>  
Re: Changes in Palau

December 7, 2012 7:02 PM

Robert, Let me add that, on the Senate front, I'm told that Chairman Bingaman had a general but positive conversation with Leader Reid about adding the Palau legislation to 'fiscal cliff' legislation, which should do enough cutting to cover \$180 m over 10 years for the Palau piece.

Senate staff have also raised the idea of using a Hurricane Sandy supplemental as a vehicle. Palau was hit Dec. 2-3 by Super typhoon Bopha (which killed so many in the Philippines). Schools and other infrastructure in Palau were hard hit with a few schools totally demolished. Power, water, and sewer are still out for a good portion of the population. Hundreds have been left homeless. Etc. Agreement approval would provide funds that could be used for reconstruction.

Thanks for your help.

Jeff Farrow

On Dec 7, 2012, at 6:40 PM, "Karem, Robert Story" <Robert.Karem@mail.house.gov> wrote:

In the wake of Mike Catanzaro's departure, I have turned to a colleague in my office to pulse Natural Resources about the status of the offset. This is still something we'd like to do, but the offset has been very tricky and I've not seen much engagement by the Administration or Senate. Of course, we're scrambling on a number of things, so there may be work going on about which I don't know.

Please pester me on Monday, I hope I will have some news from Natural Resources by then.

Thanks,  
RSK

From: Jerry C Weller <jweller@nwgpublicaffairs.com>  
Date: Fri, 7 Dec 2012 08:23:38 -0500  
To: Robert Karem <robert.karem@mail.house.gov>  
Cc: "Jeffrey Farrow" (jfarrow@olivergroupinc.com); <jfarrow@olivergroupinc.com>  
Subject: Changes in Palau

Robert,

Good morning. Sorry to have missed you when I telephoned this week.

As a result of the Elections in Palau, there is a new President who stated during the campaign that he wants to renegotiate the Free Association Agreement when he assumes office in January, 2013. The obvious concern for Congress is that it creates an opportunity for a "bidding war" with other competing interests in the region. At a minimum it will likely result in a larger financial commitment to maintain the current relationship and agreement.

We have continued outreach with the Committees in the House and Senate and ask for an opportunity to speak with you. No one has told us they oppose the bill, it just the mechanics. There are a few possible large vehicles which may move that offer opportunities to insert the agreement's legislative language. My associate Jeff Farrow and I ask to speak with you.

Is there a good time today or Monday? We can speak by telephone?

We greatly appreciate your time and look forward to speaking with you.

Thank you. Best regards,

*Jerry Weller*

Hon. Jerry Weller  
Member of Congress (Retired)  
Managing Partner  
New World Group Public Affairs LLC  
Telephone: (202) 496 - 3494  
Skype: jerry.weller3

Jeffrey L. Farrow <jfarrow@olivergroupinc.com> 1\*  
To: Al Stayman <allen\_stayman@energy.senate.gov>  
Cantor staff today on Palau

December 7, 2012, 8:05 PM

Al,

Cantor DCoS Neil Bradley said today that he would try to help get the Palau Compact Review Agreement legislation passed during the next month. His Foreign Policy Advisor, Robert Karem, separately said that approval is still on the House Leadership's list to get done this Congress. He also said, however, he hadn't seen much engagement from the Administration or the Senate -- although he said he could be unaware of efforts. I told him of the Bingaman-Reid conversation plus your response to the idea of the Hurricane Sandy Emergency Supplemental if not the 'fiscal cliff' legislation, which may be the best prospect. It might be helpful, though, if Bob (or you) would touch base with Cantor's staff. Mike Catanzaro has left Boehner's, which is a bit of a loss since he was a lead among House Leadership staff.

Robert was right as far as I know about the Administration. I will tell Ur and Edgard Kagen about this. I spoke with Wendy at OIA today and she said they were planning a meeting with State next week on what happens if the Agreement doesn't pass this Congress. I gently suggested they focus more now on getting it passed this Congress. You may want to push as well.

Thanks,

Jeff

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: Ur Jaddou <jaddouum@state.gov>, Edgard Kagan <kagane@state.gov>  
Canfor staff on Palau

December 7, 2012 6:24 PM

House Majority Leader DCoS Neil Bradley said today that he would try to help get the Palau Compact Review Agreement legislation passed during the next month. Leader Cantor's Foreign Policy Advisor, Robert Karem, separately said that approval is still on the House Leadership's list to get done this Congress. He also said, however, he hadn't seen much engagement from the Administration, although he added that he could be unaware of efforts.

Our primary ask has been that the Palau legislation be put on the "fiscal cliff" legislation when it materializes because of the mandatory spending cuts it would include.

Another idea is the Hurricane Sandy Emergency Supplemental being a vehicle. Super typhoon Bopha totally demolished a few schools and other infrastructure with a lot more seriously damaged. Power, water, and sewer are still out for a good portion of the population. Hundreds have been left homeless. Etc. Agreement approval would provide funds that could be used for reconstruction.

We really need a higher profile Administration effort. Al Stelmach's idea of a letter remains a good one. I also request calls be made.

FYI, Chairman Rcs-Lehtinen still wants approval this Congress and the Incoming Committee Staff Director (Tom Sheehy) under Chairman-to-be Royce, who has been supportive, agreed Wednesday. House Natural Resources Committee Staff Dir. Todd Young yesterday said Chairman Hastings would be for it. They still have problems with other sections of the Bingaman-Murkowski-Barraso bill but would be happy to see Palau move.

Approval during the next month is very doable but we really have to stay on it.

Thanks for your efforts.

Jeff

Jeffrey L Farrow <jfarrow@olivegroupinc.com>  
To: "Jaddou, Ur M" <jaddouUM@state.gov>  
Cc: "Kagan, Edgard D" <KaganED@state.gov>  
Re: Cantor staff on Palau

December 8, 2012 10:17 AM

Ur, a few points:

AI is suggesting we make a pitch for the disaster supplemental too.

Chairman Bingaman is still trying to work to work out the package that he developed with Sens. Murkowski and Barrasso. That has been the problem with the Defense bill in the Senate. Barrasso's abandoned mine reclamation is still controversial there. Senate Armed Services staff didn't want to take on the package with its problems. But there was no discussion of just adding the Palau provision.

We pitched just adding Palau to the House Armed Services staff dir. He was willing and wasn't concerned about an offset because of other provisions of the bill, and I got an inquiry about it a couple of days ago from a NDAA conference member. The HASC staff dir. said they would agree in conference if the SASC would raise it. He said a mechanism could be adding it in Rules if SASC would agree and Leadership gave the signal.

Chairman Inouye didn't want to add Palau to the Interior appropriations bill because that measure is a major source of contention already. House Appropriations Chairman Rogers staffer told me a few days ago that it still is, although House and Senate negotiators have worked out most sections of an omnibus appropriations bill for a full FY13 to replace the CR effective through March 27. (Labor, HHS is the other major area of dispute.) A disaster emergency supplemental might be different since it would avoid the Interior, etc. issues. She also said that it looked like the disaster supplemental would have priority over the omnibus bill. House Interior Subcommittee Chairman Simpson is a supporter of the Agreement, as are Senate Chairman Murkowski and a few others. An offset might not be an issue for a disaster supplemental.

Fiscal cliff legislation is a top focus because it should have enough cuts to also not require a specific offset. The House Natural Resources staff dir. says they will NOT accept the Bingaman-Murkowski-Barrasso package because of the helium provision as well as because of the abandoned mines provision -- but they would accept the Palau provision.

The Foreign Affairs current and incoming leadership would support Palau on any vehicle.

AI says they still like the passport provision. The problem with it was Ways and Means not wanting it to be used to offset other than tax cuts. But, again, a specific offset should not be needed in a fiscal cliff (or emergency supplemental, or, maybe, defense) bill and passport might be addable if needed in the mix of a fiscal cliff bill in which tax cuts (as well as increases) are a/the major component.

I agree we need to make this a leadership priority, and appreciate your working on that. It needs to be the leaderships of both houses and the Administration. Together, all of you can figure out the package or offset. I'd suggest also following up Chairman Bingaman's conversation with Leader Reid with Reid and OMB/NSS/WH. FYI, I spoke with my former Clinton colleague Rob Nabors while at OMB about Palau to get the final Agreement and he helped get it between David Hayes of Interior and Jack Lew while your Dep. Sec. Jack also got personally involved in the negotiations (and Sec. Clinton has reiterated her desire to get approval). So, lead Administration fiscal cliff negotiators know of the Agreement's importance.

Mike Catanzaro, who was leading on the issue for the Speaker, recently left the staff but he was keeping Jen Stewart and Cindy Herrie, who does budget issues for the Speaker, apprised. Robert is a key lead in House Leadership. Cantor budget advisor Roger Mahan is also involved.

Chairman Ros-Lehtinen and others will do what they can as we need them, and we should keep in touch in this regard as well as others.

Thanks very much to you both. We can get this done.

Jeff

On Dec 7, 2012, at 11:18 PM, "Jaddou, Ur M" <jaddouUM@state.gov> wrote:

I have a few more calls I want to make on Palau on Monday, one of which is Robert Karem. Yes, I do believe the best path forward is the one identified by AI. Fiscal cliff. As for the Sandy legislation, I think that's a heavier lift bc it's a smaller bill.

I agree everyone is supportive but that has never been the issue. As supportive as everyone is, no one has been willing to provide the offset. It's a very difficult ask without an offset, the issue for NDAA even if it's such little money. There are so many other small, but important pieces of legislation out there, all competing for offsets. And taking the full package as is with the helium offset carries with it all the problems posed by the Barrasso language. We'll need the larger fiscal cliff bill to hide those problems since that offset seems the only viable one at this point, though that may hit road blocks in the House. Hastings is supportive of Palau but I'm not sure where he is if it's paid for by the helium offset, an offset in his jurisdiction.

We need to make this a leadership priority so that they can ultimately decide to use a coveted offset for this. That's what I'm hoping to work on again on Monday.

-Ur-

----- Original Message -----

From: Kagan, Edgard D  
Sent: Friday, December 07, 2012 09:04 PM  
To: jfarrow@olivegroupinc.com; jfarrow@olivegroupinc.com; Jaddou, Ur M  
Subject: Re: Cantor staff on Palau

Jeff: Thanks for update. I defer to Ur, but am willing to do whatever we can.  
Edgard D Kagan  
Deputy Assistant Secretary  
Bureau of East Asian and Pacific Affairs  
U.S. Department of State  
202-647-6929

----- Original Message -----

From: Jeffrey L Farrow (mailto:jfarrow@olivegroupinc.com)  
Sent: Friday, December 07, 2012 06:24 PM  
To: Jaddou, Ur M; Kagan, Edgard D  
Subject: Cantor staff on Palau

House Majority Leader DCoS New Bradley said today that he would try to help get the Palau Compact Review Agreement legislation passed during the next month. Leader Cantor's Foreign Policy Advisor, Robert Karem, separately said that approval is still on the House Leadership's list to get done this Congress. He also said, however, he hadn't seen much engagement from the Administration, although he added that he could be unaware of efforts.

Our primary ask has been that the Palau legislation be put on the fiscal cliff legislation when it materializes because of the mandatory spending cuts it would include.

Another idea is the Hurricane Sandy Emergency Supplemental being a vehicle. Super typhoon Bopha totally demolished a few schools and other infrastructure with a lot more seriously damaged. Power, water, and sewer are still out for a good portion of the population. Hundreds have been left homeless. Etc. Agreement approval would provide funds that could be used for reconstruction.

We really need a higher profile Administration effort. At Stayman's idea of a letter remains a good one. I also request calls be made.

FYI, Chairman Ros-Lehtinen still wants approval this Congress and the incoming Committee Staff Director (Tom Sheehy) under Chairman-to-be Royce, who has been supportive, agreed Wednesday. House Natural Resources Committee Staff Dir. Todd Young yesterday said Chairman Hastings would be for it. They still have problems with other sections of the Bingaman-Murkowski-Barrasso bill but would be happy to see Palau move.

Approval during the next month is very doable but we really have to stay on it.

Thanks for your efforts.

Jeff

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: Stayman, Allen (Energy) <Allen.Stayman@energy.senate.gov>  
Re: Cantor staff today on Palau

December 8, 2012 4:21 PM

Ur said the Defense Bill wouldn't work because an offset was needed and there was still objection in the Senate to other 4402 provisions. I told her the House committee wasn't concerned about the offset and was willing to add Palau in conference or, if the Senate was willing, and House Leadership wanted, to the bill in the Rules Committee.

She thought that the disaster emergency supplemental would be tough because of its size but the Administration yesterday asked for \$60.4 b and we have the typhoon argument. I don't think the supplemental money will be offset but I'm not sure.

She is very focused on the 4402 package and the helium offset. Particularly with a "fiscal cliff" bill that will include trillions in tax cuts (as well as tax increases) offset shouldn't be an issue. And, maybe the passport provision won't be with Ways and Means either in that vehicle. State should try to get Palau done through whatever vehicle. If in part through 4402, great, but also if not. Offset should not be a real problem for just Palau in any of these vehicles.

On Dec 7, 2012, at 8:27 PM, "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov> wrote:

Will do

Will Tomblong write re disaster?

Sent from my BlackBerry Wireless Handheld

----- Original Message -----

From: Jeffrey L. Farrow (mailto:jfarrow@olivergroupinc.com)

Sent: Friday, December 07, 2012 08:06 PM

To: Stayman, Allen (Energy)

Subject: Cantor staff today on Palau

Al,

Cantor DCoS Neil Bradley said today that he would try to help get the Palau Compact Review Agreement legislation passed during the next month. His Foreign Policy Advisor, Robert Karam, separately said that approval is still on the House Leadership's list to get done this Congress. He also said, however, he hadn't seen much engagement from the Administration or the Senate -- although he said he could be unaware of efforts. I told him of the Bingaman-Reid conversation plus your response to the idea of the Hurricane Sandy Emergency Supplemental if not the "fiscal cliff" legislation, which may be the best prospect. It might be helpful though, if Bob (or you) would touch base with Cantor's staff. Mike Catanzaro has left Boehner's, which is a bit of a loss since he was a lead among House Leadership staff.

Robert was right as far as I know about the Administration. I will tell Ur and Edgard Kagen about this. I spoke with Wendy at OIA today and she said they were planning a meeting with State next week on what happens if the Agreement doesn't pass this Congress. I gently suggested they focus more now on getting it passed this Congress. You may want to push as well.

Thanks

Jeff



Jeffrey L. Farrow <jfarrow@olivegroupinc.com>

December 10, 2012 7:13 PM

To: Robert Story Karem <Robert.Karem@mail.house.gov>, Jen Stewart <jen.stewart@mail.house.gov>, Roger Mahan <roger.mahan@mail.house.gov>, "Cindy Herrie" <cindy.herrie@mail.house.gov>, Doug Anderson <doug.anderson@mail.house.gov>, Nien Su <nien.su@mail.house.gov>, Todd Young <todd.young@mail.house.gov>, Bonnie Bruce <bonnie.bruce@mail.house.gov>, Priscilla Koepke <Priscilla.Koepke@mail.house.gov>

Cc: Jerry Weller <JWeller@nygpublicaffairs.com>

AID declares disaster in Palau/Agreement would help

AID has declared a disaster in Palau from Super typhoon Bopha. (See attached AID fact sheet.) The devastation includes some schools and the homes of a few hundred people totally destroyed as well other public infrastructure and homes serious damaged, etc. Approval of the Compact Review Agreement would make available funds for infrastructure and essential public services that Palau could use for reconstruction and relief. President Obama has proposed an emergency supplemental appropriations bill for a disaster. Palau isn't asking for additional assistance from the bill but maybe it can be a vehicle for legislation that no one opposes to provide the support for military rights the Executive branch agreed to in 2010 pursuant to law which Palau can use for disaster needs. Jeff Farrow

Jeffrey L. Farrow <jfarrow@olivergroupinc.com> F

December 11, 2012 3:20 PM

To: Kawe Mossman <Kawe\_Mossman@inouye.senate.gov>, Appropriations Taylor <Rachael\_Taylor@appro.senate.gov>, "margaret\_cummisky@appro.senate.gov" <margaret\_cummisky@appro.senate.gov>  
Palau request for disaster supplemental

I am writing on behalf of President Toribiong of Palau to request that emergency appropriations legislation in the wake of Hurricane Sandy include language to effectuate the Agreement that he signed with President Obama's representative to continue the free association between Palau and the U.S.

Typhoon Bopha caused widespread devastation in Palau Dec. 2-3, making Agreement legislation all the more urgent. It includes assistance for infrastructure and essential public services that could be used for recovery and relief. Schools and other public infrastructure as well as the homes of some 300 people have been completely demolished, with other structures, public works, and equipment people need for their livelihoods seriously damaged, crops on which people rely destroyed, and vital services such as power, water, sewer, and roads cut off.

Agreement legislation is supported by House Interior Appropriations Chairman Simpson and the leaders of both parties of the committees of jurisdiction in both houses of Congress as well as by leaders of the full houses, and it has not been opposed by any member.

It would preserve the exclusive military authority of the U.S. in a strategic expanse of the western Pacific as large as Texas that the defense and State Depts. have said is "critical" to U.S. defense and "increasingly important".

It would recognize that Palau votes with the U.S. in the U.N. more than any other member, which is especially important on issues on which the U.S. would otherwise only have Israel as an ally.

Enactment would also avert the current need for un-budgeted discretionary appropriations for Palau, which Chairman Inouye has led the Congress in making (to Palau's great appreciation).

Thank you for considering this request as well as for past support of matters concerning Palau.

Jeff Farrow  
202-744-3995

U.S. DEPARTMENT OF THE INTERIOR  
OFFICE OF INSULAR AFFAIRS  
COMPACT OF FREE ASSOCIATION  
REPUBLIC OF PALAU  
Estimated Payments 2010-2024  
\$'S IN 000'S

ACTIVITY (Revised Agreement)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTALS
Trust Fund Contributions	0	0	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	250	0	30,250
Economic Assistance		0	0	12,059	12,000	11,500	10,000	8,500	7,250	6,000	5,000	4,000	3,000	2,000		81,309
Maintenance Matching Fund	0			6,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	28,000
Infrastructure				24,000	6,000	5,000	5,000									40,000
Fiscal Consolidation	0			10,000												10,000
Discretionary Assistance (not part of legislative package)	13,147	13,147	13,147													39,441
Subtotal for Direct Assistance to Palau	13,147	13,147	13,147	55,059	23,000	21,500	20,000	13,500	12,250	11,000	10,000	9,000	8,000	4,250	2,000	229,000
Postal Service Subsidy		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	21,000
<b>TOTAL ANNUAL USG COMMITMENT</b>	<b>13,147</b>	<b>14,647</b>	<b>14,647</b>	<b>56,559</b>	<b>24,500</b>	<b>23,000</b>	<b>21,500</b>	<b>15,000</b>	<b>13,750</b>	<b>12,500</b>	<b>11,500</b>	<b>10,500</b>	<b>9,500</b>	<b>5,750</b>	<b>3,500</b>	<b>250,000</b>
<b>PALAU ANNUAL WITHDRAWAL FROM TRUST FUND*</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,250</b>	<b>5,500</b>	<b>6,750</b>	<b>8,000</b>	<b>9,000</b>	<b>10,000</b>	<b>10,500</b>	<b>11,000</b>	<b>12,000</b>	<b>13,000</b>	<b>15,000</b>	<b>126,000</b>

\* Palau is limited by agreement from withdrawing more than this amount from its US-funded Compact Trust Fund.


Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
To: Slayman, Allen (Energy) <Allen.Slayman@energy.senate.gov>  
Re: New payment schedule

December 12, 2012 11:20 AM

Thanks very much. This is not as per the Committee's legislation (Title V of S. 4402) on the Trust Fund, diminishing the value significantly from the bill and, therefore, from the Agreement. S. 4402 restructured Trust payments and requirements to make up for the delay (almost three years).

On Dec 12, 2012, at 10:56 AM, "Slayman, Allen (Energy)" <Allen.Slayman@energy.senate.gov> wrote:

Chart of Palau payments 121012.xls

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>   
To: Jen Stewart <jen.stewart@mail.house.gov>, "cindy.herrie@mail.house.gov" <cindy.herrie@mail.house.gov>  
Cc: Jerry Weller <JWeller@rwgpublicaffairs.com>  
Palau request re disaster emergency supplemental

December 12, 2012 6:30 PM

1 Attachment, 346 KB

Attached is a letter Palau's ambassador asked me to deliver asking that language to effectuate the Agreement to continue the U.S. free association with the islands (including military authority that the Pentagon considers "critical") which was negotiated pursuant to law be added to the emergency supplemental the Administration has proposed for Hurricane Sandy in light of last week's devastation in Palau from Typhoon Bopha.  
The Palau Compact Agreement legislation includes funds that could help Palau recover. Jeff Farrow 202-744-8995



December 12, 2012

The Honorable John Boehner  
Speaker  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

I am writing on behalf of the Government of Palau, which, as you know, is a state in free association with the United States after half a century of U.S. administration. The purpose is to request that language to effectuate the Agreement signed by representatives of the U.S. and Palau to continue the association be added to the legislation to make appropriations in the wake of Hurricane Sandy.

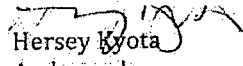
Super Typhoon Bopha caused widespread devastation in Palau a week ago, and made approval of Agreement legislation all the more urgent. It would provide our islands with assistance for infrastructure, infrastructure maintenance, and essential public services that are even more direly needed because of the storm. Some schools and other public infrastructure have been completely destroyed with others seriously damaged. Hundreds of people have been left homeless with some 100 dwellings totally demolished and others in need of major repair. Power, water, and sewer service have been knocked out for a substantial portion of the population for the foreseeable future. Roads are impassable because of debris and damage.

Agreement legislation has been requested by the U.S. Executive branch and is supported by the leaders and other key members on both sides of the aisles of both houses of the U.S. Congress as well as by the leaders of both political parties in all of the committees of jurisdiction. No Member of Congress has questioned it.

Palau hopes that you will lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,



  
Hersey Kyota  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202-452-6814 • Fax 202-452-6281  
[www.palauembassy.com](http://www.palauembassy.com)

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>

December 12, 2012 5:52 PM

To: "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov>

Cc: "Jaddou, Ur M" <JaddouUM@state.gov>, "Tampio, A Jesse" <TampioAJ@state.gov>, "KaganED@state.gov" <KaganED@state.gov>, "Nik Pula (nikolao\_pula@ios.doi.gov)" <nikolao\_pula@ios.doi.gov>, "Tom\_Bussanich@ios.doi.gov" <Tom\_Bussanich@ios.doi.gov>, "eileen\_sobeck@ios.doi.gov" <eileen\_sobeck@ios.doi.gov>, Hersey Kyota <hkyota@palauembassy.com>

Re: Senate Appropriations Releases Text of Disaster Assistance Supplemental

The bill seems limited to Hurricane Sandy-related.

Good response from a top assistant to Speaker Boehner re Palau, so we should be able to work legislation some way. They suggested maybe Defense Authorization. I know you have 4402 complications but they are only thinking Palau.

On Dec 12, 2012, at 5:21 PM, "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov> wrote:

Guys:

This is a huge disappointment and I don't know yet whether the reason it didn't get included was because it was outside their 'scope' or for missing the deadline. I'll let you know.

In any case, I thank you all for your effort on this. We'll continue to try adding HR 4402 to the "cliff" bill. But, that's a steeper climb.

Al

From: Taylor, Rachael (Appropriations)

Sent: Wednesday, December 12, 2012 5:12 PM

To: Simon, Bob (Energy); Stayman, Allen (Energy)

Subject: FW: Senate Appropriations Releases Text of Disaster Assistance Supplemental

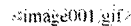
We were not able to include Palau.

From: Goldsher, Eve (Appropriations)

Sent: Wednesday, December 12, 2012 4:44 PM

To: Goldsher, Eve (Appropriations)

Subject: Senate Appropriations Releases Text of Disaster Assistance Supplemental



*For Immediate Release*

December 12, 2012

Contact: Rob Blumenthal (202) 224-7363 / Eve Goldsher (202) 224-7363

**Appropriations Committee Releases Text of  
Disaster Assistance Supplemental**

The text of the \$60.4 billion Emergency Supplemental is available [here](#)

Jeffrey L Farrow <jfarrow@olivegroupinc.com>  
To: Isaac Edwards <isaac\_edwards@energy.senate.gov>  
Palau disaster emergency supplemental request

December 12, 2012 7:08 PM

1 Attachment: 351 KB

Isaac,

Thanks, again for the meeting today.

Attached is a letter Amb. Kyota asked me to deliver asking that language to effectuate the Agreement to continue the U.S. free association with Palau be added to the emergency supplemental the Administration has proposed for Hurricane Sandy in light of last week's devastation in Palau from Typhoon Bopha. Al told me where it stands but I wanted to transmit the letter, as requested, anyway in case there is another opportunity.

Jeff 202-744-3995



December 12, 2012

Honorable Lisa Murkowski  
Ranking Minority  
Committee on Energy and Natural Resources and  
Appropriations Subcommittee on Interior, Environment and Related Agencies  
United States Senate  
Washington, DC 20510

Dear Senator Murkowski:

I am writing on behalf of the Government of Palau, which, as you know, is a state in free association with the United States after half a century of U.S. administration. The purpose is to request that language to effectuate the Agreement signed by representatives of the U.S. and Palau to continue the association be added to the legislation to make appropriations in the wake of Hurricane Sandy.

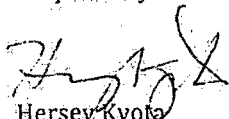
Super Typhoon Bopha caused widespread devastation in Palau a week ago, and made approval of Agreement legislation all the more urgent. It would provide our islands with assistance for infrastructure, infrastructure maintenance, and essential public services that are even more direly needed because of the storm. Some schools and other public infrastructure have been completely destroyed with others seriously damaged. Hundreds of people have been left homeless with some 100 dwellings totally demolished and others in need of major repair. Power, water, and sewer service have been knocked out for a substantial portion of the population for the foreseeable future. Roads are impassable because of debris and damage.

Agreement legislation has been requested by the U.S. Executive branch and is supported by the leaders and other key members on both sides of the aisles of both houses of the U.S. Congress as well as by the leaders of both political parties in all of the committees of jurisdiction. No Member of Congress has questioned it.

Palau hopes that you will lead the Congress in passing legislation regarding the Agreement this year.



Respectfully,

  
Hersey Kyota  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202-452-6814 • Fax 202-452-6281  
[www.palauembassy.com](http://www.palauembassy.com)

Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
To: pat\_hill@akaka.senate.gov; joan\_ohashi@akaka.senate.gov; arun\_revana@akaka.senate.gov  
Government of Palau request of Sen. Akaka

December 12, 2012 1:01 PM

1 Attachment: 342 KB

I am writing on behalf of the Government of Palau, a state in free association with the U.S., as Sen. Akaka well knows. The attached is from Palau's ambassador asking for his help in adding language to effectuate the Agreement signed by the Obama Administration and Palau's president to continue the association through FY24 to the Defense Authorization Bill. Chairman Bingaman is also trying to add the language to the emergency supplemental in the wake of Hurricane Sandy because of Typhoon Bopha, which caused destruction in Palau to the extent that it was declared a disaster area by the U.S. Government. Implementation of the Agreement would release funds that Palau could use for recovery. Please make sure that Sen. Akaka is aware of this request and do what you can to help pass the legislation he has co-sponsored this year.  
Thanks, Jeff Farrow



December 12, 2012

Honorable Daniel K. Akaka  
United States Senate  
Washington, DC 20510

Dear Senator Akaka:

I am writing on behalf of the Government of Palau to request that language to effectuate the Agreement signed by representatives of the United States and Palau to continue the free association between our states through Fiscal Year 2024 be added to the U.S. National Defense Authorization Act for Fiscal Year 2013.

The Agreement would preserve the U.S.' full authority over security matters in the lands and waters of Palau -- a strategic expanse of the western Pacific as large as Texas -- as well as maintain U.S. base rights. The U.S. Department of Defense advised the U.S. Congress that these benefits "will become increasingly important" and that "[f]ailure to follow through on [U.S.] commitments to Palau, as reflected in the proposed legislation, would jeopardize [the U.S.] defense posture."

Legislation to implement the Agreement is supported by the leaders of both parties in the committees of jurisdiction in both houses of the Congress and by key leaders of the houses. No member has opposed it. It has not been approved only because the unrelated offsets that the U.S. Executive branch suggested to cover the relatively minor cost were not acceptable to the leaders of either side of the committees of jurisdiction. Senior Majority staff of the House Armed Services Committee, however, has suggested that the small cost could be accommodated in the Defense bill.

Approval is more urgent because of Super Typhoon Bopha, which devastated Palau December 2-3. The Agreement includes assistance that is even more direly needed due to the storm, which completely destroyed schools, the homes of hundreds, and crops.

Palau hopes that you lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,

  
Hersey Kyota  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202-452-6814 • Fax 202-452-6281  
[www.palatembassy.com](http://www.palatembassy.com)

---

Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
To: Christian Brose <christian\_brose@armed-services.senate.gov>  
Request advice for Palau on Bingaman-Webb amendment

December 19, 2012 10:25 AM

1 Attachment, 347 KB

Chris, Chairmen Bingaman and Webb (and Sen. Wyden, who succeeds Bingaman as chairman) plan to go ahead with an amendment for the Palau Agreement to the hurricane supplemental. Sen. McCain supports the Agreement but has criticized the supplemental. Would he support the amendment, though? I'm asking for advice as much as for support. We need to get Palau passed and there is a disaster need but can Sen. McCain support it on this bill? There are only a couple of vehicles - a fiscal cliff bill might be the ultimate since it will have a lot of offset - but I don't want Palau to miss a chance. Thanks for your advice, Jeff

From: Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
Subject: Government of Palau request to Sen. McCain  
Date: December 17, 2012 1:07:53 PM EST  
To: Christian Brose <christian\_brose@armed-services.senate.gov> ; telos22@telnet.com; christian\_brose@armed-services.senate.gov

I am writing on behalf of the Government of Palau, a state in free association with the U.S., as Sen. McCain and Christian know. The attached requests the Senator's help in adding language to effectuate the Agreement to continue the association which provides the U.S. with military control of a strategic expanse of the western Pacific the size of Texas through FY24 to the Defense Authorization Bill. Chairman Bingaman and Sen. Murkowski are also trying to add the language to the emergency supplemental in the wake of Hurricane Sandy because of Typhoon Bopha, which caused destruction in Palau to the extent that it was declared a disaster area by AID. The Agreement contains funds Palau could use for recovery. Please make sure that Sen. McCain is aware of this request and do what you can to help pass the legislation he said he would support this year. Thanks, Jeff Farrow



December 12, 2012

Honorable John McCain  
United States Senate  
Washington, DC 20510

Dear Senator McCain:

I am writing on behalf of the Government of Palau to request that language to effectuate the Agreement signed by representatives of the United States and Palau to continue the free association between our states through Fiscal Year 2024 be added to the U.S. National Defense Authorization Act for Fiscal Year 2013.

The Agreement would preserve the U.S.' full authority over security matters in the lands and waters of Palau -- a strategic expanse of the western Pacific as large as Texas -- as well as maintain U.S. base rights. The U.S. Department of Defense advised the U.S. Congress that these benefits "will become increasingly important" and that "[f]ailure to follow through on [U.S.] commitments to Palau, as reflected in the proposed legislation, would jeopardize [the U.S.] defense posture."

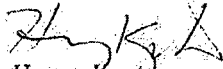
Legislation to implement the Agreement is supported by the leaders of both parties in the committees of jurisdiction in both houses of the Congress and by key leaders of the houses. No member has opposed it. It has not been approved only because the unrelated offsets that the U.S. Executive branch suggested to cover the relatively minor cost were not acceptable to the leaders of either side of the committees of jurisdiction. Senior Majority staff of the House Armed Services Committee, however, has suggested that the small cost could be accommodated in the Defense bill.

Approval is more urgent because of Super Typhoon Bopha, which devastated Palau December 2-3. The Agreement includes assistance that is even more direly needed due to the storm, which completely destroyed schools, the homes of hundreds, and crops.

Palau urges that you lead the Congress in passing legislation regarding the Agreement

Palau hopes that you lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,



Hersey Kyota  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202-452-6814 • Fax 202-452-6281  
[www.palauembassy.com](http://www.palauembassy.com)

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: Victor Cervino <victor\_cervino@rubio.senate.gov>  
Cc: Jerry Weller <jweller@nwgpublicaffairs.com>  
Bingaman-Webb Palau amendment

December 19, 2012 11:01 AM

4 Attachments: 653 KB

Victor, As you may recall, we've met in the context of my representing Gov. Fortuno. Attached is a copy of the Bingaman amendment, an explanation, a letter from Palau's ambassador requesting approval through the supplemental because of the Dec. 2-3 disaster in Palau, and AID's fact sheet after declaring Palau a disaster. I will send you a few more important documents. Thanks for Sen. Rubio's consideration. Jeff 202-744-3995

Amendment.pdf (22 KB)

Summary.doc (36 KB)

Letter Palau.doc (254 KB)

Fact Sheet (712-641 KB)

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To provide for the approval of an agreement between the United States and the Republic of Palau in response to Super Typhoon Bopha.

IN THE SENATE OF THE UNITED STATES—112th Cong., 2d Sess.

(no.) \_\_\_\_\_

(title) \_\_\_\_\_

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by \_\_\_\_\_

Viz:

1 On page \_\_, between lines \_\_ and \_\_, insert the fol-  
2 lowing:

3 **SEC. \_\_. APPROVAL OF THE 2010 U.S.-PALAU AGREEMENT**  
4 **IN RESPONSE TO SUPER TYPHOON BOPHA.**

5 (a) IN GENERAL.—The agreement entitled “The  
6 Agreement Between the Government of the United States  
7 of America and the Government of the Republic of Palau  
8 Following the Compact of Free Association Section 432  
9 Review” signed on September 3, 2010 (including the ap-  
10 pendices to the agreement) (referred to in this section as  
11 the “Agreement”) is approved (other than Article 7 to the  
12 extent it extends Article X of the Federal Programs and

1 Services Agreement) and may only enter into force after  
2 the Secretary of State, in coordination with the Secretary  
3 of the Interior, enters into an implementing arrangement  
4 with the Republic of Palau that makes the adjustments  
5 to dates and amounts as set forth in Senate Amendment  
6 3331.

7 (b) AMENDMENT.—Section 105(f)(1)(B)(ix) of the  
8 Compact of Free Association Amendments Act of 2003  
9 (48 U.S.C. 1921d(f)(1)(B)(ix)) is amended by striking  
10 “2009” and inserting “2024”.

11 (c) FUNDING.—

12 (1) IN GENERAL.—There are appropriated to  
13 the Secretary of the Interior such sums as are speci-  
14 fied to carry out sections 1, 2(a), 4(a), and 5 of the  
15 Agreement for each of fiscal years 2014 through  
16 2024.

17 (2) AVAILABILITY.—Amounts appropriated  
18 under paragraph (1) shall remain available until ex-  
19 pended.

20 (3) EMERGENCY DESIGNATION.—Amounts ap-  
21 propriated under paragraph (1) are designated by  
22 Congress as being for an emergency requirement  
23 pursuant to section 4(g) of the Statutory Pay-As-  
24 You-Go Act of 2010 (Public Law 111-139; 2 U.S.C.  
25 933(g)).



Bingaman Amendment to Approve U.S.- Palau Agreement in Response to  
Super Typhoon Bopha

Super Typhoon Bohpa: On December 2, 2012, the Republic of Palau, east of the Philippines, was struck by Super Typhoon Bopha causing extensive damage. The President of Palau declared a State of Emergency and the U.S. President, acting through USAID, issued a disaster declaration for Palau (see attached USAID Fact Sheet). The storm went on to kill over 1,000 people in the Philippines. At this time, Palau is not asking for disaster funding from the U.S., but is instead asking that Congress approve the U.S.-Palau assistance Agreement that was signed on September 3, 2010.

This Bingaman amendment tracks the intent of S. 343 (Bingaman, Murkowski, Akaka and Webb) to approve the September, 2010 Agreement. It would revise and update the Compact of Free Association that has governed U.S. - Palau relations since 1986 by extending and phasing-out financial assistance to Palau over 11 years. Approval of the Agreement is urgent at this time because it would begin to make the funds under the Agreement immediately available for disaster response and recovery. Failure of the U.S. to respond to the needs of this strategic ally in a time of need by fulfilling existing agreements would signal Palau and other island nations in the Pacific that the U.S. is an unreliable partner.

Background: Palau is an island-nation located strategically between the U.S. territory of Guam, the Philippines, and Indonesia. Captured in WWII, Palau became part of the U.S.-administered Trust Territory of the Pacific Islands in 1947. In 1994, Palau became a sovereign nation in free association with the U.S. under the 50-year "Compact" which grants the U.S. military rights that the Department of State has called "vital to our national security," and that provided Palau with an initial 15-year term of assistance, ending in 2009. The Agreement would extend and phase-out U.S. assistance by 2024. Congress has provided stop-gap funding since 2009, but the Department of Defense wrote to the Committee on Energy and Natural Resources in April, 2011, that "Failure to follow through on our commitments to Palau, as reflected in the proposed legislation, would jeopardize our defense posture in the Western Pacific."

The Agreement provides for the phase-out of financial assistance in the areas of operations (\$69.25M), construction (\$40M), maintenance (\$26.9M), and Trust Fund contributions (\$40.25M) totaling \$176.4M, or an average of \$17M/yr. CBO's 10-year estimate for direct costs is \$171M. Much of this funding, particularly for construction, maintenance and government operations can make a crucial contribution to Palau's efforts to respond and recover from this disaster.



December 12, 2012.

Honorable Jeff Bingaman  
Chairman  
Committee on Energy and Natural Resources  
United States Senate  
Washington, DC 20510

Dear Senator Bingaman:

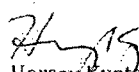
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Super Typhoon Bopha caused widespread devastation in Palau a week ago, and made approval of Agreement legislation all the more urgent. It would provide our islands with assistance for infrastructure, infrastructure maintenance, and essential public services that are even more direly needed because of the storm. Some schools and other public infrastructure have been completely destroyed with others seriously damaged. Hundreds of people have been left homeless with some 100 dwellings totally demolished and others in need of major repair. Power, water, and sewer service have been knocked out for a substantial portion of the population for the foreseeable future. Roads are impassable because of debris and damage.

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Palau hopes that you will lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,

  
Hersey Kyota  
Ambassador

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[www.palauembassy.com](http://www.palauembassy.com)



# PHILIPPINES AND REPUBLIC OF PALAU – TYPHOON

FACT SHEET #1, FISCAL YEAR (FY) 2013, DECEMBER 7, 2012

## NUMBERS AT A GLANCE

**456**

Deaths associated with Typhoon Bopha in the Philippines

Government of the Philippines (GPH) National Disaster Risk Reduction and Management Council (NDRRMC) – December 7, 2012

**5.3 million**

People affected by Typhoon Bopha in the Philippines

NDRRMC – December 7, 2012

**213,469**

People residing in evacuation centers in the Philippines

NDRRMC – December 7, 2012

**28,587**

Houses damaged by Typhoon Bopha in the Philippines

NDRRMC – December 7, 2012

**350**

People displaced by Typhoon Bopha in RoP

U.N. – December 5, 2012

**150**

Houses damaged or destroyed by Typhoon Bopha in RoP

U.N. – December 5, 2012

## HIGHLIGHTS

- Starting on December 2, Typhoon Bopha—known as Pablo in the Philippines—tracked south of the Republic of Palau (RoP) and across the Philippines, bringing winds of up to Category 5 strength and causing widespread damage.
- USAID's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) deployed several staff members to the Philippines, RoP, and Guam to track the storm as it moved through the region, coordinate assistance efforts, and conduct assessments in affected areas.
- On December 5, 2012, the U.S. Embassy in Manila, Philippines, and the U.S. Embassy in Koror, RoP, issued disaster declarations for the effects of Typhoon Bopha.

## HUMANITARIAN FUNDING FOR TYPHOON BOPHA

USAID/OFDA Funding for RoP	\$100,000
USAID/OFDA Funding for the Philippines	\$100,000

**\$200,000**

TOTAL USAID/OFDA FUNDING

## KEY DEVELOPMENTS

- After developing southeast of the Federated States of Micronesia as a tropical depression, Typhoon Bopha tracked south of RoP's Angaur island starting on December 2 while building super typhoon-level intensity, bringing wind speeds of up to 155 miles per hour to RoP, downing trees and other vegetation, and damaging basic infrastructure, according to the U.N. In outlying island areas, Typhoon Bopha caused a storm surge bringing ocean waters several hundred feet inland, damaging roads and dispersing debris. Initial USAID/OFDA and U.S. Embassy in Koror assessments found damage in the islands of Peleliu and Angaur, as well as more remote areas of Babeldaob island. On December 4, RoP President Johnson Toribiong declared a state of emergency and announced plans to provide \$10 million for immediate emergency needs and cleanup efforts.
- On December 4, Typhoon Bopha made landfall in the Philippines, bringing heavy rains and strong winds to areas of Mindanao and Visayas islands, as well as Palawan Province in the western Philippines. As of December 7, Typhoon Bopha had caused 456 deaths, left more than 530 people missing, and affected approximately 5.3 million people across 27 provinces, according to NDRRMC. Local media also report that Bopha had destroyed an estimated 10,000 hectares—or nearly 24 percent—of the country's 42,000 hectares of banana farms as of December 7.

## **RoP**

### *Current Situation*

- In the days following the storm, RoP experienced agricultural damage, power outages, and communications disruptions. Areas of RoP with extensive damage include Angaur and Peleliu islands, as well as Melekeok, Ngard, Ngchesar, and Ngilwai states. Other areas of the country experienced minimal or no damage. Electric, water, and sewage services in some areas of the country remained disrupted as of December 5, according to the U.N.
- By December 6, health facilities and local businesses in Koror city—where approximately 70 percent of the RoP population resides—and the airport in Airai had begun to reopen, and roads, bridges, and causeways were largely functional, with local populations beginning debris clearing activities.

### *U.S. Government (USG) Assessments*

- Between December 3 and 4, the USAID/OFDA principal regional advisor (PRA) for East Asia and the Pacific and staff from the U.S. Embassy in Koror conducted assessments of affected areas, including in RoP's southernmost islands of Angaur and Peleliu and northeastern areas of Babeldaob island, where a storm surge damaged or destroyed approximately 30 houses. The PRA noted early recovery needs, including cleanup support, temporary shelter materials for displaced individuals, and water, sanitation, and hygiene (WASH) assistance, particularly in rural areas and outlying islands.

### *USG Assistance*

- On December 5, 2012, U.S. Chargé d'Affaires Thomas E. Daley declared a disaster due to the effects of Typhoon Bopha. In response, USAID/OFDA provided \$100,000 for the Palau Red Cross (PRC) for emergency support for typhoon-affected populations. Based on USAID/OFDA assessments, USAID/OFDA funding will support cleanup efforts and the distribution of relief supplies.

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## **THE PHILIPPINES**

### *Current Situation*

- In the Philippines, Typhoon Bopha damaged or destroyed nearly 29,000 houses, as well as bridges and roads. The storm also disrupted power, communications, and water infrastructure in many affected areas, according to NDRRMC. The storm caused significant agricultural damage in Mindanao, particularly to banana, coconut, vegetable, and rubber plantations. The typhoon also impacted crops and livelihoods in Lanao del Sur Province in the in the Autonomous Region in Muslim Mindanao, according to the U.N.
- The effects of the storm are particularly significant in Mindanao's Davao Region, where the typhoon first made landfall and the majority of affected people—4.7 million, or 88 percent of the total affected population—reside, according to NDRRMC. Some of the areas of Davao experiencing damage were also affected in December 2011 following Tropical Storm Washi.
- The GPH and local government authorities are responding to the needs of affected populations by distributing food and emergency relief commodities, providing medical assistance, and clearing debris, according to NDRRMC. In Compostela Valley Province, local authorities hired fishing boats to transfer food, water, medicine, and relief commodities to affected populations in areas cut off by the storm. In addition, the GPH and U.N. are conducting a joint assessment of affected areas.

### *USG Assessments*

- On December 6, USAID/OFDA began conducting a series of assessments in typhoon-affected areas of Davao's Compostela Valley and Davao del Norte provinces, and Negros Oriental Province in the Visayas. In areas assessed, the USAID/OFDA team noted some signs of flash flooding and wind damage to crops and buildings, as well as continued power outages, but also observed that most primary roads remained open, and that populations had begun cleanup efforts.

- In New Bataan Municipality in Compostela Valley, the assessment team noted significant damage, estimating that the typhoon had damaged or destroyed up to 60 percent of homes and buildings in the municipality, with structures remaining intact filled with mud. GPH, local authorities, and businesses are providing food, safe drinking water, health care, and medicine in New Bataan.
- On December 7, USAID/OFDA staff traveled to Davao Oriental Province, where approximately 70 miles of coastline have sustained significant damage, particularly in areas where storm surges took place. In Baganga, Boston, and Cateel municipalities, central town areas were nearly entirely destroyed, and all three municipalities lacked electricity. In addition, road access from the south remains severed. GPH engineering assets are currently working to restore roads. In addition, the Philippines Navy has begun delivering food rations to affected areas.

#### *USG Assistance*

- On December 5, U.S. Charge d'Affaires Brian L. Goldbeck declared a disaster due to the effects of Typhoon Bopha in the Philippines. In response, USAID/OFDA provided an initial \$100,000 to Catholic Relief Services (CRS) for WASH support and the provision of emergency relief commodities.
- USAID/OFDA is currently planning additional assistance to benefit typhoon-affected populations in Mindanao and the Visayas islands, prioritizing areas sustaining major damage.

### **OTHER HUMANITARIAN ASSISTANCE**

- On December 11, the U.N. plans to launch an annex to the 2013 Humanitarian Action Plan (HAP) for the Philippines to address humanitarian needs resulting from Typhoon Bopha. The U.N. plans to include projects for the typhoon response as a sub-set of the 2013 HAP. U.N. agencies are already coordinating with national and local government counterparts, according to the U.N.
- Several international humanitarian donor agencies have announced plans to provide assistance to typhoon-affected populations. On December 7, the Government of the Republic of Korea pledged to provide approximately \$200,000 to the Philippines for relief supplies.
- The Government of Australia plans to provide \$5 million for relief commodities, including sleeping mats, water containers, and hygiene kits, and 1,000 metric tons of emergency food assistance for displaced and vulnerable households.
- On December 6, the Government of Canada (GoC) announced plans to provide \$250,000 to support the Philippine Red Cross to address the emergency needs of approximately 50,000 people affected by Typhoon Bopha. GoC support will include WASH assistance and provision of relief commodities.

#### **USAID/OFDA HUMANITARIAN ASSISTANCE FOR RoP & THE PHILIPPINES PROVIDED IN FY 2013<sup>1</sup>**

IMPLEMENTING PARTNER	ACTIVITY	LOCATION	AMOUNT
<b>USAID/OFDA<sup>2</sup></b>			
PRC	Logistics and Relief Commodities	RoP	\$100,000
CRS	Logistics and Relief Commodities	Philippines	\$100,000
<b>TOTAL USAID/OFDA ASSISTANCE</b>			<b>\$200,000</b>
<b>TOTAL USAID/OFDA HUMANITARIAN ASSISTANCE TO RoP AND THE PHILIPPINES IN FY 2013</b>			<b>\$200,000</b>

<sup>1</sup> Year of funding indicates the date of commitment or obligation, not appropriation, of funds.


<sup>2</sup> USAID/OFDA funding represents actual or obligated amounts as of December 7, 2012.

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## **PUBLIC DONATION INFORMATION**

- The most effective way people can assist relief efforts is by making cash contributions to humanitarian organizations that are conducting relief operations. A list of humanitarian organizations that are accepting cash donations for response efforts in RoP and the Philippines can be found at [www.interaction.org](http://www.interaction.org).
- USAID encourages cash donations because they allow aid professionals to procure the exact items needed (often in the affected region); reduce the burden on scarce resources (such as transportation routes, staff time, and warehouse space); can be transferred very quickly and without transportation costs; support the economy of the disaster-stricken region; and ensure culturally, dietary, and environmentally appropriate assistance.
- More information can be found at:
  - The Center for International Disaster Information: [www.cidi.org](http://www.cidi.org) or +1.202.821.1999.
  - Information on relief activities of the humanitarian community can be found at [www.reliefweb.int](http://www.reliefweb.int).


USAID/OFDA bulletins appear on the USAID website at  
<http://www.usaid.gov/what-we-do/working-crises-and-conflict/responding-times-crisis/where-we-work>

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>   
To: Kawe Mossman <Kawe\_Mossman@inouye.senate.gov>  
Cc: jessica\_lee@inouye.senate.gov, marie\_blanco@inouye.senate.gov, erickson\_miller@inouye.senate.gov  
Letter to Mrs. Inouye from Pres. of Palau

December 19, 2012 11:58 AM

1 Attachment 1.2 MB

We are all extremely saddened. He was a truly great guy. President Toribiong would like to attend the funeral. What are the plans? Jeff Farrow 202-744-3995

  
SM1212190412.MB



**JOHNSON TORIBIONG**  
*President*

**Republic of Palau**  
***Office of the President***

P.O. Box 6051, Palau, PW 96940  
Tel. (680) 767-2532 / 2541 / 8732  
Fax: (680) 767-1662 / 2424  
email:rop.president@palau.net.com

December 17, 2012  
Serial No. 12 - 2304

Mrs. Irene Hirano Inouye  
722 Hart Building  
Washington, DC 20510

Dear Mrs. Inouye,

The people of Palau were saddened to learn of the unexpected passing of your husband, the late Senator Daniel Inouye, in the morning of December 18<sup>th</sup>, Palau time. Your husband was not only a distinguished Senator, having served as the longest-serving Senator in the United States Senate and Senate President Pro Tem, a great American war hero, he was a true and generous friend and supporter of the Republic of Palau.

Madam, it is with a heavy heart that I, on behalf of the people of the Republic of Palau convey, to you and the entire family of the late Senator Inouye our condolences, sympathies, and prayers. May God through his grace consol and comfort you and your family.

I knew your husband from the attention and assistance that he devoted and extended to our island nation, the least populated jurisdiction associated with the United States, an area that he derived no benefit from helping personally -- a mark of a truly great American.

As Chairman of the Senate Appropriations Committee and with all of his responsibilities and all of the issues that he had to address, he always took time from his busy schedule to meet with me when I was in Washington and to ensure that the needs of the people of Palau were met. When I visited him, he spent more time with me than I needed, inquiring about the current situation in Palau, reminiscing about his visit to our islands, and, as a fellow Pacific islander, making me and my delegation feel genuine kinship and at home so far away from home. He suggested ways of overcoming challenges, and, after we met, always did what he said he would do.

Hawaii and the United States were blessed to have Daniel Inouye's strong but caring leadership and service and for so long. Palau was too.



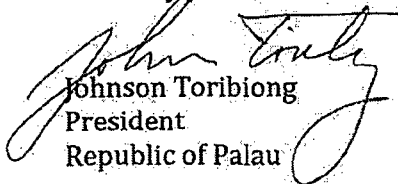


I hope that you will consider making the return visit to Palau that Senator Inouye told me he wanted to make during our last meetings. I also hope that you and the entire Inouye family will find some comfort in knowing how much he did for so many people and how much he was appreciated for it and will continue to be here in Palau.

Senator Inouye will always live in the hearts of our people.

With my deepest condolences, I am

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John Toribiong".  
Johnson Toribiong  
President  
Republic of Palau

Jeffrey L. Farrow <jfarrow@olivergroupinc.com> T

To: "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov>

Cc: "Jaddou, Ur M." <JaddouUM@state.gov>, "KaganED@state.gov" <KaganED@state.gov>, "Karen Gatz (GatzKL@state.gov)" <GatzKL@state.gov>, "eileen\_sobeck@ios.doi.gov"

<eileen\_sobeck@ios.doi.gov>

Re: Budget issue with #3344

December 19, 2012 3:15 PM

FR Ranking Lugar staffer says they're OK with Palau.

FR Subcommittee Ranking Inhofe looking at it. Says GOP looking at what to do about the bill.

Rubio's staffer sympathetic and say Rubio won't object but they are for a 'clean' Sandy bill.

No response from McCain yet. He has said he will support Palau but is helping lead the opposition to the bill.

On Dec 19, 2012, at 1:46 PM, "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov> wrote:

Jeff, Ur

The Republicans can raise a point-of-order against the amendment -- see below.

If they do object, then it would trigger a requirement for a 60-vote majority. That's a vote Bingaman would lose without any Republican support.

Have you had any luck reaching out to any Republicans, directly or through others?

Al

From: Kruzich, Tyler (Budget)

Sent: Wednesday, December 19, 2012 12:52 PM Eastern Standard Time.

To: Simon, Bob (Energy)

Cc: Fowler, Sam (Energy); Brooks, David (Energy)

Subject: SA 3344

The Republicans have officially asked us to weigh in with respect to points of order on the Palau amendment. Specifically, they have asked if we concur that the amendment would be subject to a 60-vote point of order per section 314 of S Con Res 70, FY09 budget resolution pertaining to changes in a mandatory program in an appropriations bill. We do concur and have informed the Paris and leadership staff. We will not raise it, of course. It is standard procedure for us to collaborate on the determination.

I would also like to note that the amendment would be subject to a 60-vote point of order per section 4(g)(3) of the Statutory Pay-As-You-Go Act of 2010, pertaining to emergency designations for SPAYGO. The Republicans have NOT asked us about that, so we do not expect them to raise it.

When the time comes, I or another Budget staffer will be on the floor with point of order waiver language that Senator Bingaman or another member can use.

Let me know if you have any questions.

Tyler

X40560

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: jennifer\_sabas@inouye.senate.gov  
Cc: jenny\_okubo@inouye.senate.gov  
President of Palau wants to fly in for funeral

December 19, 2012 4:19 PM

1 Attachment 1.2 MB

We are all extremely saddened. Sen. Inouye was a truly great man with whom we had the privilege of working. Attached is a letter from President Tonibong of Palau, a state in free association with the U.S. in the western Pacific (that he visited and regularly helped) to Mrs. Inouye.

The President would like to attend the funeral. How can this be arranged?

Please accept our condolences and thank you.

Jeffrey L. Farrow  
Special Advisor  
Government of Palau  
202-744-3995

SN:1212191420131112MB

Jeffrey L Farrow <jfarrow@olivergroupinc.com>  
To: Schumer <Anna\_Fiala@schumer.senate.gov>  
Bingaman Amendment 3344 to H.R. 1

December 21, 2012 4:10 PM

5 Attachments: 719 KB

Anne, As you may recall, we have met in the context of my representation of the Government of Puerto Rico, a U.S. territory, and I have know Sen. Schumer since college days. I am writing now on behalf of Palau, a former territory area in the Pacific that is now a state in free association with the U.S. Dec. 2-3, Palau was hit by Typhoon Bopha, totally demolishing some infrastructure, such as schools, and homes, and damaging many other buildings, etc. AID declared it a disaster area.

Chairman Bingaman of the committee (Energy and Natural Resources) and Sens. Webb, Wyden, and Akaka have sponsored an amendment to the H.R. 1 Hurricane Sandy legislation to effectuate an Agreement between the Obama Administration and Palau entered into pursuant to law that includes funds that could be used -- and are direly needed -- for recovery and relief.

Attached is a copy of the amendment, an explanation, a letter from Palau's ambassador requesting approval through the supplemental because of the disaster in Palau, and AID's fact sheet on the disaster.

It is important to note that Palau votes with the U.S. in the UN more than any other member. Its vote is especially important on issues concerning the Middle-East, where the U.S. and Israel are often otherwise isolated.

There is no opposition to the Palau Agreement legislation and support from Republicans such as McCain and Murkowski.

Also attached is a letter from the Pentagon that states: "Failure to follow through on our commitments to Palau, as reflected in the proposed legislation, would jeopardize our defense posture in the Western Pacific. This posture will become increasingly important as referring to China. Palau's land and waters are the size of Texas and a vital sea-lane through which China wants access. The Agreement gives the U.S. full military control as if Palau were still a territory."

Sorry to raise this so late but we did not expect this turn of events.

Jeff Farrow  
202-744-3995

Amendment 3344 to H.R. 1 (2.5 KB)  
Summary to H.R. 1 (36 KB)  
Letter Palau.doc (35 KB)  
Fact sheet 1.pdf (24 KB)  
Letter BOD 1.pdf (5 KB)

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: Stayman, Allen (Energy) <Allen.Stayman@energy.senate.gov>  
Re: Palau offset

December 25, 2012, 7:46 PM

I thought that the budget waiver was needed to eliminate the offset requirement, so an offset will now be required, but please let me know.

I'm in touch with the Israeli Embassy and thought they could help with Republicans. But the offset question will be key.

We're at 3107 Brooklawn Terrace, Chevy Chase.  
Sent from my iPhone

On Dec 25, 2012, at 6:07 PM, "Stayman, Allen (Energy)" <Allen.Stayman@energy.senate.gov> wrote:

Jeff:

As an "Emergency" measure, H.R. 1 requires no offset and none is offered. But, the bill did not get a budget waiver, so I don't know how the budget impact is dealt with. I'll have to find out Thursday.

Unless we can get a few Republican commitments, I think Bingaman is inclined to withdraw the amendment, and avoid losing the vote.

Have you gotten any feedback on Inhofe, McConnell or McCain? I'm told that Inhofe is sympathetic, but haven't confirmed. The other targets are the Asia Pacific Subcommittee and SASC.

A party sounds like fun. Where will it be?

Al

Sent from my BlackBerry Wireless Handheld

----- Original Message -----


From: Jeffrey L. Farrow [mailto:jfarrow@olivergroupinc.com]  
Sent: Tuesday, December 25, 2012 11:30 AM Eastern Standard Time  
To: Stayman, Allen (Energy); Al Stayman <astayman22@comcast.net>  
Subject: Palau offset

Sorry to disturb you, and you can wait to respond, but I want to get back to the Political Counselor of the Israeli Embassy. Would the amendment be offered with an offset and, if so, what?

Also, Elizabeth decided to have a party New Year's Eve. You and Aurora are invited. Jim Berke and Peter Hiebert and wives are coming.

Merry Christmas!

Jeff

Jeffrey L. Farrow <jlfarrow@olivergroupinc.com>   
To: "JaddouUM@state.gov Jaddou" <JaddouUM@state.gov>, Edgard Kagan <KaganED@state.gov>  
Bcc: Al Stayman <Allen\_Stayman@energy.senate.gov>  
House & Palau legislation

December 27, 2012 6:46 PM

Strong message from Cantor staff about not hearing from OMB that Palau Agreement approval is a priority to get done this Congress.

Also Administration could really help this Congress (or next) by identifying a viable offset.

Our pitch to them was for inclusion in "fiscal cliff" legislation -- and they hope that the Agreement will be on the Administration's list.

Not passing this on to complain in any way but to inform you.

Meanwhile, time is really running out on the Palau side. I am reporting this as an unofficial 'heads up' vs. to pressure.

I know you've been working, and appreciate it.

Jeff:

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
To: Christian Brose <christian\_brose@armed-services.senate.gov>  
Request for Palau on Bingaman-Webb amendment

December 26, 2012 10:27 AM

1 Attachment, 347 KB

Chris, Do you see hope for the Bingaman-Webb-Akaka-Wyden amendment to H.R. 1 to effectuate the Agreement to continue free association with Palau through 2024? The Senator's position has been to strongly support the legislation -- if it is offset. We are running out of time on the Agreement signed Sept. 3, 2010. Palau will have a new president Jan. 15, and he tells me he wants to renegotiate. (The House bill has a couple of additional provisions which should have been in the Agreement but the Administration didn't want -- although now they'll accept. These are the president-elect's main objectives. The provisions would increase the 10 year cost from \$171 million in the Senate bill to about \$180 million over 10. President Torblong would accept either the Senate or House bill, as would the Administration). The amendment doesn't have an offset but Palau needs Agreement funding because of Typhoon Bopha devastation Dec. 2-3.

I have thought that the best vehicle would be a 'fiscal cliff' bill because it would have so much in tax increases and possibly spending cuts that could be used for an offset but am worried that either a last-minute deal will be so rushed and 'bare bones' with only the biggest issues addressed or will not happen. In any case, Senate passage of the amendment would give House leaders something to accept in whatever vehicle. Chairman Ros-Lehtinen wants approval of the Agreement this Congress and is flexible between the bills and Majority Leader Cantor and Speaker Boehner are supportive.

Jeff Farrow  
202-744-3995

From: Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
Subject: Request advice for Palau on Bingaman-Webb amendment  
Date: December 19, 2012 10:25:29 AM EST  
To: Christian Brose <christian\_brose@armed-services.senate.gov>

Chris, Chairman Bingaman and Webb (and Sen. Wyden, who succeeds Bingaman as chairman) plan to go ahead with an amendment for the Palau Agreement to the hurricane supplemental. Sen. McCain supports the Agreement but has criticized the supplemental. Would he support the amendment though? I'm asking for advice as much as for support. We need to get Palau passed and there is a disaster need but can Sen. McCain support it on this bill? There are only a couple of vehicles -- a fiscal cliff bill might be the ultimate, since it will have a lot of offset -- but I don't want Palau to miss a chance. Thanks for your advice, Jeff

From: Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
Subject: Government of Palau request to Sen. McCain  
Date: December 17, 2012 1:07:53 PM EST  
To: Christian Brose <christian\_brose@armed-services.senate.gov>, telaporn\_tanient@palau.senate.gov

I am writing on behalf of the Government of Palau, a state in free association with the U.S., as Sen. McCain and Christian know. The attached requests the Senator's help in adding language to effectuate the Agreement to continue the association, which provides the U.S. with military control of a strategic expanse of the western Pacific the size of Texas, through FY24 to the Defense Authorization Bill. Chairman Bingaman and Sen. Murkowski are also trying to add the language to the emergency supplemental in the wake of Hurricane Sandy because of Typhoon Bopha, which caused destruction in Palau to the extent that it was declared a disaster area by AID. The Agreement contains funds Palau could use for recovery. Please make sure that Sen. McCain is aware of this request and do what you can to help pass the legislation he said he would support this year. Thanks, Jeff Farrow



December 12, 2012

Honorable John McCain  
United States Senate  
Washington, DC 20510

Dear Senator McCain:

I am writing on behalf of the Government of Palau to request that language to effectuate the Agreement signed by representatives of the United States and Palau to continue the free association between our states through Fiscal Year 2024 be added to the U.S. National Defense Authorization Act for Fiscal Year 2013.

The Agreement would preserve the U.S.' full authority over security matters in the lands and waters of Palau -- a strategic expanse of the western Pacific as large as Texas -- as well as maintain U.S. base rights. The U.S. Department of Defense advised the U.S. Congress that these benefits "will become increasingly important" and that "[f]ailure to follow through on [U.S.] commitments to Palau, as reflected in the proposed legislation, would jeopardize [the U.S.] defense posture."

Legislation to implement the Agreement is supported by the leaders of both parties in the committees of jurisdiction in both houses of the Congress and by key leaders of the houses. No member has opposed it. It has not been approved only because the unrelated

houses. No member has opposed it. It has not been approved only because the associated offsets that the U.S. Executive branch suggested to cover the relatively minor cost were not acceptable to the leaders of either side of the committees of jurisdiction. Senior Majority staff of the House Armed Services Committee, however, has suggested that the small cost could be accommodated in the Defense bill.

Approval is more urgent because of Super Typhoon Bopha, which devastated Palau December 2-3. The Agreement includes assistance that is even more direly needed due to the storm, which completely destroyed schools, the homes of hundreds, and crops.

Palau hopes that you lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,

  
Hersey Kyata  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 600 • Washington, DC, 20006 • Phone 202-452-6814 • Fax 202-452-6281  
[www.palauembassy.com](http://www.palauembassy.com)



Jeffrey L Farrow <jfarrow@olivergroupinc.com> P

January 7, 2013 6:45 PM

To: Edgard Kagan <KaganED@state.gov>, Ur Jaddou <JaddouUM@state.gov>, Nikolao Pula <nikolao\_pula@ios.doi.gov>, "Tom Bussanich" <tom\_bussanich@ios.doi.gov>  
The plan for Palau

Friends, with the new Congress and the administration changing in Palau, it seems appropriate to ask what your (the U.S. Executive) plan is for legislation providing further terms for the association between the U.S. and Palau -- or, at least, begin a conversation on this.

President Toribiong signed the Agreement for this when he did even though some of Palau's leaders were not fully satisfied with it after I was advised at a very senior level that he should so that it could be approved by law before the 112th Congress. It was, however, submitted to the 112th Congress, and there has been only one issue with it in Congress: an offset for the cost. At first, the Administration said that its budget accommodated the cost and, then, when pressed, suggested offsets that were unacceptable to the committees of jurisdiction. After some time, House members suggested alternatives that were unacceptable to State and AID. Later, we suggested an offset that was acceptable to the House Foreign Affairs Committee and the Senate Finance and Energy and Natural Resources Committees and State but turned out to not be acceptable to the House Ways and Means Committee. More recently, the Senate Energy and Natural Resources Committee proposed an offset from increased prices for helium from Federal land that may have some viability but was in package to which some senators objected and was not acceptable as written to the House Natural Resources Committee, although that committee plans to act to reform helium pricing this fiscal year. Most recently, many of us have explored attaching the Agreement legislation to legislative vehicles that might not need a specific offset for Agreement provisions.

I still think that such a vehicle might be the best bet, particularly the legislation now needed by the end of February to replace sequestration, which will cut perhaps trillions in spending that could be counted as an offset. But such legislation has proved elusive. And we would all have to work to get Palau provisions added to the legislation, which will probably be negotiated at the highest level with a lot of important competing priorities.

I am fairly confident, however, that we could pass a stand-alone bill for Palau if it had an offset acceptable to Congress but think that such an offset will have to be suggested by the Administration. Majority Leader Cantor's staff think that it could pass the House on a Suspension of the Rules (requiring a two-thirds vote in favor). I think that we could get 60 votes in the Senate.

These are initial thoughts, and I would like to get yours. The Agreement was signed two and a third years ago so that it could be quickly approved despite some misgivings in Palau. With the new Congress and administration in Palau, there should be a plan.

Sincere thanks for all of the efforts that you have put into the U.S.-Palau relationship.

Jeff





UNDER SECRETARY OF DEFENSE  
2000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-2000

POLICY

APR 5 2011

The Honorable Jeff Bingaman  
Chairman  
Committee on Energy and Natural Resources  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

I am writing to express the Department of Defense's support for S. 343, a bill to amend Title I of Public Law 99-658 regarding the Compact of Free Association between the Government of the United States of America and the Government of Palau. This bill would approve the results of the 15-year review of the Compact, including the Agreement Between the Government of the United States of America and the Government of the Republic of Palau, conducted pursuant to Section 432 of Public Law 99-658, and appropriate funds for the purposes of the amended Public Law 99-658 for fiscal years ending on, or before, September 30, 2024, to carry out the agreements resulting from that review.

Implementing the proposed legislation is vital to maintaining the bilateral security relationship between the United States and Palau. Since World War II, Palau has been a long-standing U.S. strategic partner. Under the 1994 Palau Compact, Palau provides the United States exclusive defense rights, and the United States has taken responsibility for the security and defense of Palau. This security arrangement provides an unyielding foundation that supports the position of the United States in an increasingly contested region and allows the United States to maintain critical access, influence, and strategic position in the Western Pacific region.

Critical security developments in the region require the United States' sustained presence and engagement, particularly given the range of U.S. strategic interests and equities in the Western Pacific, including the Reagan Ballistic Missile Defense Test Site at the U.S. Army Kwajalein Atoll facility, and areas that are important to DoD when called upon to support disaster relief operations throughout the region. Failure to follow through on our commitments to Palau, as reflected in the proposed legislation, would jeopardize our defense posture in the Western Pacific. This posture will become increasingly important as the United States seeks to protect its interests and fulfill its commitments to Asia-Pacific security.

Enactment of S. 343 would be an important expression of the U.S. commitment to Palau as an irreplaceable partner and a reinforcement of our shared interest in regional and international security.



The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this letter for the consideration of the committee.

Thank you for your consideration.

Sincerely,

  
Michèle A. Flournoy

Jeffrey L. Farrow <jfarrow@olivergroupinc.com>  
 To: Nien Su <nien.su@mail.house.gov>  
 Cc: Jerry Weller <JWeller@nwgpublicaffairs.com>  
 Palau briefing material for trip

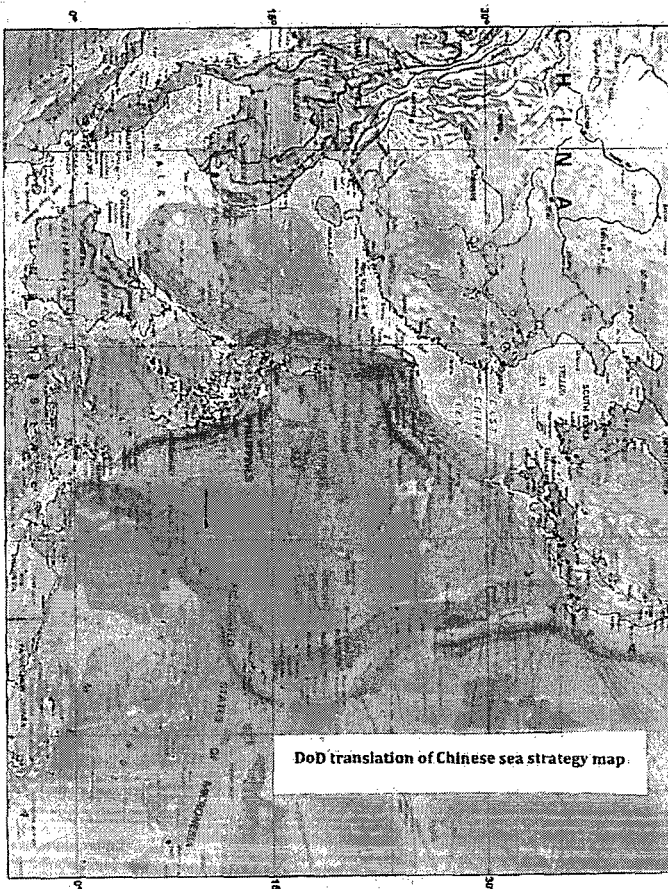
January 17, 2013 3:42 PM

4 Attachments: 6.9 MB

Nien, Thanks very much for agreeing to include information on the need to continue free association with Palau in the trip briefing book. Below are a two-pager and recommended attachments: a DoD letter; DoD's translation of the Chinese sea strategy map; and a chart on voting with the U.S. in the U.N. from State. Have a great trip! Jeff

Palau State (4.1 KB)

State.SU (2.2 MB)



Based on the latest State Department Report,  
 "Voting Practice in the United Nations" published 14 May 2012,  
 Palau continues to have the highest voting coincidence with the United States

	Votes Only	Votes + Consensus	10 Important Votes	17 Anti- Israel Votes
Palau	97.3%	99.2%	100%	100%
FSM	96.8%	99.0%	100%	100%
Nauru	95.5%	98.6%	85.7%	100%
Israel	92.8%	98.0%	100%	100%
Canada	91.4%	97.4%	88.9%	100%
RMI	89.6%	96.9%	100%	100%
All Member States	51.5%	85.9%	52.9%	4.1%

Kov

Jeffrey L. Farrow <jfarrow@olivegroupinc.com>  
 To: Nien Su <nien.su@mail.house.gov>  
 Trip Briefing Book Palau Material II

January 17, 2013 3:52 PM

2 Attachments, 1.2 MB

TABLE DO NOT EDIT

Based on the latest State Department Report,  
 "Voting Practice in the United Nations" published 14 May 2012,  
 Palau continues to have the highest voting coincidence with the United States

	Votes Only	Votes + Consensus	10 Important Votes	17 Anti- Israel Votes
Palau	97.3%	99.2%	100%	100%
FSM	96.8%	99.0%	100%	100%
Nauru	95.5%	98.6%	85.7%	100%
Israel	92.8%	98.0%	100%	100%
Canada	91.4%	97.4%	88.9%	100%
RMI	89.6%	96.9%	100%	100%
All Member States	51.5%	85.9%	52.9%	4.1%

**Key:**

**Votes Only**= Coincidence percentage only for the 85 GA votes where the US voted Yes or No

**Votes + Consensus**= Coincidence percentage only for the 85 GA votes where the US voted Yes or No plus a pro-rated portion of all consensus resolutions.

**10 Important Votes**= Coincidence percentage only for 10 Important resolutions that are directly affected US interests and on which the US lobbied extensively.

**17 Anti-Israel Votes**= Coincidence percentage only for 17 resolutions specifically related to Israel that are opposed by the US.

## Changes in Palau

Jerry C. Weller <JWeller@nwgroupaffairs.com>

Fri 12/7/2012 8:26 AM

To: jennifer.stewart@mail.house.gov <jennifer.stewart@mail.house.gov>;

cc: Brett Ioper@mail.house.gov <Brett.Ioper@mail.house.gov>; Anderson, Doug <Doug.Anderson@mail.house.gov>;  
nien.su@mail.house.gov <nien.su@mail.house.gov>; Jeffrey Farrow (jfarrow@olivergroupinc.com)  
<jfarrow@olivergroupinc.com>;

Jen,

Good morning. Sorry to have missed you when I telephoned this week.

As a result of the Elections in Palau, there is a new President who stated during the campaign that he wants to renegotiate the Free Association Agreement when he assumes office in January, 2013. The obvious concern for Congress is that it creates an opportunity for a "bidding war" with other competing interests in the region. At a minimum it will likely result in a larger financial commitment to maintain the current relationship and agreement.

We have continued outreach with the Committees in the House and Senate and ask for an opportunity to speak with you. No one has told us they oppose the bill, it just the mechanics. There are a few possible large vehicles which may move that offer opportunities to insert the agreements legislative language. My associate Jeff Farrow and I ask to speak with you.

Is there a good time today or Monday? We can speak by telephone?

We greatly appreciate your time and look forward to speaking with you.

Thank you. Best regards,

*Jerry Weller*

Hon. Jerry Weller  
Member of Congress (Retired)  
Managing Partner  
New World Group Public Affairs LLC  
Telephone: (202) 496 - 3494  
Skype: jerry.weller3

FW: request to meet with the Chair - Dec. 5th.

Jerry C Weller <JWeller@nwgpublicaffairs.com>

Mon 12/3/2012 5:29 PM

To: Kate.Barlow@mail.house.gov <Kate.Barlow@mail.house.gov>;

Cc: tom.sheehy@mail.house.gov <tom.sheehy@mail.house.gov>;

Bcc: nien.su@mail.house.gov <nien.su@mail.house.gov>; Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Kate,

Good evening. Congratulations on the Chairmanship for Mr. Royce which is well deserved.

As the Chairman knows, we have been working with Nien Su, Asia Subcommittee Staff Director over the past year to advance the renewal of the Palau Free Association Agreement which Chairman Royce supported in Subcommittee. We have also been working with respective Committee and Leadership staff in the House and Senate and wish to discuss the direction the Chairman would like to pursue regarding final Congressional action on the legislation during the Lame Duck.

The Republic of Palau is a staunch friend and ally of the United States and this Agreement has languished for over two years now. Palau votes more consistently with the U.S. at the UN than most other countries, including in strong support of Israel and against communist Cuba. Citizens from Palau serve as valuable members of America's armed forces and have even made the ultimate sacrifice in service to our nation. Palau also is strategically located and is part of the U.S. strategy to contain China's desire to expand its military influence in the region.

It's also important to note that no Nation has stood with U.S. Policy more frequently than Palau when it comes to Israel, Cuba and Taiwan. In fact, during last week's U.N. vote Palau was one of the few to vote with the U.S. and Israel regarding the U.N. and Palestine.

Would Cong. Royce be available for a brief meeting on Wednesday to discuss the status of the Palau Free Association Agreement legislation? My colleague Jeff Farrow and I will be on the Hill and could do a meeting any time after 9am on Wednesday, December 5th. Would 930am work for you?

My cell is 815 715 2107.

Thank you for your time. We look forward to coming by the office. All the best,

Jerry

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

<https://outlook.office365.com/owa/>

6/6/2013



Managing Partner  
NWG Public Affairs LLC  
Phone: (305) 209-6164  
Skype: jerry.weller3

## RE: Changes in Palau CIRCLING BACK

Jerry C Weller <JWeller@nwgpublicaffairs.com>

Tue 12/11/2012 8:46 AM

To: Karem, Robert Story <Robert.Karem@mail.house.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Robert, Good morning. Per your direction I'm checking back in regarding Palau.

Recognizing there are a number of vehicles where the Palau legislation could find a home, we ask to work with you on pursuing the best option.

Jeff F. and I are available today to do a call if this would work with you?

We really appreciate your time. Thank you.

Jerry

---

**From:** Karem, Robert Story [mailto:Robert.Karem@mail.house.gov]

**Sent:** Friday, December 07, 2012 6:41 PM

**To:** Jerry C Weller

**Cc:** Jeffrey Farrow (jfarrow@olivergroupinc.com)

**Subject:** Re: Changes in Palau

In the wake of Mike Catanzaro's departure, I have turned to a colleague in my office to pulse Natural Resources about the status of the offset. This is still something we'd like to do, but the offset has been very tricky and I've not seen much engagement by the Administration or Senate. Of course, we're scrambling on a number of things, so there may be work going on about which I don't know.

Please pester me on Monday; I hope I will have some news from Natural Resources by then.

Thanks,

RSK

---

**From:** Jerry C Weller <JWeller@nwgpublicaffairs.com>

**Date:** Fri, 7 Dec 2012 08:23:38 -0500

**To:** Robert Karem <robert.karem@mail.house.gov>

**Cc:** "Jeffrey Farrow (jfarrow@olivergroupinc.com)" <jfarrow@olivergroupinc.com>

**Subject:** Changes in Palau

Robert,

Good morning. Sorry to have missed you when I telephoned this week.

As a result of the Elections in Palau, there is a new President who stated during the campaign that he wants to renegotiate the Free Association Agreement when he assumes office in January, 2013. The obvious concern for Congress is that it creates an opportunity for a "bidding war" with other competing interests in the region. At a minimum it will likely result in a larger financial commitment to maintain the current relationship and agreement.

We have continued outreach with the Committees in the House and Senate and ask for an opportunity to speak with you. No one has told us they oppose the bill, it just the mechanics. There are a few possible large vehicles which may move that offer opportunities to insert the agreements legislative language. My associate Jeff Farrow and I ask to speak with you.

Is there a good time today or Monday? We can speak by telephone?

We greatly appreciate your time and look forward to speaking with you.

Thank you. Best regards,

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496 - 3494

Skype: jerry.weller3

## Re: Palau disaster emergency supplemental request

Jerry C Weller <JWeller@nwgpúblicaffairs.com>

Wed 12/12/2012 6:49 PM

To: Jeffrey L Farrow <jfarrow@olivergroupinc.com>; Mahan, Roger <Roger.Mahan@mail.house.gov>;

Cc: Karem, Robert Story <Robert.Karem@mail.house.gov>;

Roger

Thanks for the tip. If you can point to the best vehicle we will focus on it.

Best, Jerry Weller

Sent from my HTC Inspire™ 4G on AT&T

----- Reply message -----

From: "Jeffrey L Farrow" <jfarrow@olivergroupinc.com>

To: "Mahan, Roger" <Roger.Mahan@mail.house.gov>

Cc: "Karem, Robert Story" <Robert.Karem@mail.house.gov>, "Jerry C Weller" <JWeller@nwgpúblicaffairs.com>

Subject: Palau disaster emergency supplemental request

Date: Wed, Dec 12, 2012 6:45 pm

Roger, Thanks very much for the advice. Defense Authorization? "Fiscal cliff" bill? Something else? Jeff

On Dec 12, 2012, at 6:40 PM, "Mahan, Roger" <Roger.Mahan@mail.house.gov> wrote:

> You guys would be wise to steer clear of Sandy supplemental.

>

> ----- Original Message -----

> From: Jeffrey L Farrow [mailto:jfarrow@olivergroupinc.com]

> Sent: Wednesday, December 12, 2012 06:33 PM

> To: Karem, Robert Story; Mahan, Roger

> Cc: Jerry Weller <JWeller@nwgpúblicaffairs.com>

> Subject: Palau disaster emergency supplemental request

>

> Attached is a letter Palau's ambassador asked me to deliver asking that language to effectuate the Agreement to continue the U.S. free association with the islands (including military authority the Pentagon considers "critical") which was negotiated pursuant to law be added to the emergency supplemental the Administration has proposed for Hurricane Sandy in light of last week's devastation in Palau from Typhoon Bopha.

> The Palau Compact Agreement legislation includes funds that could help Palau recover. Jeff Farrow 202-744-3995

## Follow up regarding Palau

Jerry C Weller <JWeller@nwpublicaffairs.com>

Thu 12/13/2012 5:05 PM

To: jomarie@mail.house.gov <jomarie@mail.house.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Jo Marie,

Thank you again for your time yesterday regarding Puerto Rico.

I wanted to follow up on our Palau discussion after learning of your history with the Free Association Agreement. We are concerned that with all the fiscal issues attracting everyone's attention right now that the agreement will be lost in shuffle with unfortunate consequences.

As we discussed, we have been working over the past year to advance the renewal of the Palau Free Association Agreement. We have also been working with respective Committee and Leadership staff in the House and Senate and wish to discuss the direction the Chairman would like to pursue regarding final Congressional action on the legislation during the Lame Duck.

The Republic of Palau is a staunch friend and ally of the United States and this Agreement has languished for over two years now. Palau votes more consistently with the U.S. at the UN than most other countries, including in strong support of Israel and against communist Cuba. Citizens from Palau serve as valuable members of America's armed forces and have even made the ultimate sacrifice in service to our nation. Palau also is strategically located and is part of the U.S. strategy to contain China's desire to expand its military influence in the region.

It's also important to note that no Nation has stood with U.S. Policy more frequently than Palau when it comes to Israel, Cuba and Taiwan. In fact, during last week's U.N. vote Palau was one of the few to vote with the U.S. and Israel regarding the U.N. and Palestine.

Recent Elections in Palau resulted in the election of a new President who stated during the campaign that if the agreement negotiated by the Bush and Obama Administrations is not sent to the President before he assumes office in mid-January he will seek to renegotiate the agreement. From a U.S. point of view it's important to note that others in the region have been offering Palau more generous alternatives.

Mike Catanzaro was our point of contact within the Speaker's office because of the Resources Committee sharing of jurisdiction along with Jen Stewart and Roger Mahan.

Can we work with you to find a home for this legislation in one of the vehicles likely to move to the President? No one opposes the legislation. Its just the mechanics of getting it done.

Some have suggested the Defense Authorization, Appropriations or Sequester vehicles as having potential. It would be helpful if we could be given some direction of which to focus on?

Thank you for your time. We recognize how busy you must be right now. All the best.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496-3494

Skype: jerry.weller3

## follow up regarding Palau

Jerry C Weller <JWeller@nwgpublicaffairs.com>

Thu 12/13/2012 5:12 PM

To: Neil Bradley (Neil.Bradley@mail.house.gov) <Neil.Bradley@mail.house.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Neil,

It was good to see you again today.

I wanted to follow up on our Palau discussion of a couple of weeks ago. We are concerned that with all the fiscal issues attracting everyone's attention right now that the agreement will be lost in shuffle with unfortunate consequences.

As we discussed, we have been working over the past year to advance the renewal of the Palau Free Association Agreement. We have also been working with respective Committee and Leadership staff in the House and Senate. Robert Story Kareem has been our contact in your office. Mike Catanzaro was our point of contact within the Speaker's office because of the Resources Committee sharing of jurisdiction along with Jen Stewart and Roger Mahan.

The Republic of Palau is a staunch friend and ally of the United States and this Agreement has languished for over two years now. Palau votes more consistently with the U.S. at the UN than most other countries, including in strong support of Israel and against communist Cuba. Citizens from Palau serve as valuable members of America's armed forces and have even made the ultimate sacrifice in service to our nation. Palau also is strategically located and is part of the U.S. strategy to contain China's desire to expand its military influence in the region.

It's also important to note that no Nation has stood with U.S. Policy more frequently than Palau when it comes to Israel, Cuba and Taiwan. In fact, during last week's U.N. vote Palau was one of the few to vote with the U.S. and Israel regarding the U.N. and Palestine.

Recent Elections in Palau resulted in the election of a new President who stated during the campaign that if the agreement negotiated by the Bush and Obama Administrations several years ago is not sent to the President before he assumes office in mid-January he will seek to renegotiate the agreement. From a U.S. point of view it's important to note that others in the region have been offering Palau more generous alternatives.

Can we work with you to find a home for this legislation in one of the vehicles likely to move to the President? No one opposes the legislation. It's just the mechanics of getting it done.

Some have suggested the Defense Authorization, Appropriations or Sequester vehicles as having potential. It would be helpful if we could be given some direction of which to focus on?

Thank you for your time. We recognize how busy you must be right now. All the best.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496 - 3494

Skype: jerry.weller3



Re: is this an opportunity?

Karem, Robert Story <Robert.Karem@mail.house.gov>

Tue 12/18/2012 5:22 PM

To: Jerry C Weller <JWeller@nwpublicaffairs.com>;

Cc: Stewart, Jen <jen.stewart@mail.house.gov>; Mahan, Roger <Roger.Mahan@mail.house.gov>; Anderson, Doug <Doug.Anderson@mail.house.gov>; St. Martin, Jo Marie <jomarie@mail.house.gov>; Su, Nien <Nien.Su@mail.house.gov>; Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Mr. Weller:

I discussed this idea with Bob Simmons, who said his message to you was that the only way this could have been accomplished would be for the Senate to include this in their bill. There were zero provisions "air-dropped" into the conference report, so since the Senate didn't act while they were considering their version of the bill it was impossible to add anything to the conference report on Palau.

Have you had conversations with House or Senate appropriators about increasing the funding for Palau to the new levels through discretionary appropriations?

RSK

---

**From:** Jerry C Weller <JWeller@nwpublicaffairs.com>

**Date:** Tue, 18 Dec 2012 16:12:18 -0500

**To:** Robert Karem <robert.karem@mail.house.gov>

**Cc:** Jen Stewart <jen.stewart@mail.house.gov>, Roger Mahan <Roger.Mahan@mail.house.gov>, "Anderson, Doug" <Doug.Anderson@mail.house.gov>, "St. Martin, Jo Marie" <jomarie@mail.house.gov>, "Su, Nien" <Nien.Su@mail.house.gov>, "Jeffrey Farrow (jfarrow@olivergroupinc.com)" <jfarrow@olivergroupinc.com>

**Subject:** RE: is this an opportunity?

Robert,

As always, thank you. We have been exploring all options, and the NDAA was raised as a possible option by some of your colleagues. Senate staff suggested the Emergency Supplemental -- which Roger then cautioned us about -- and there was a suggestion of the Omnibus -- that seems to be later in line. Perhaps we will have to wait until the so-called "Grand Bargain" on the 'fiscal cliff' -- which should have enough savings for the small amount for Palau, but it seems prudent to explore other options in the interim as we're getting so near the end of the Congress.

We have encouraged the Administration to express to you the priority that they otherwise are saying Palau is. They seem to have been more active in the Senate.

One of the challenges that we have is Committee staff suggest it is a Leadership decision on how Palau will get done and they are awaiting direction -- which is why we have been reaching out to you for the best vehicle. As I mentioned before, the incoming president of Palau is said to have suggested that he will try to improve the

Agreement if Congress does not act before he is sworn in January 15<sup>th</sup>. We will discourage that because of the environment here but understand that he would want to have his own accomplishment.

Also, if the legislation is not enacted, Congress will still need to fund Palau through discretionary appropriations (the Interior Bill). Chairman Inouye found the money during the last couple of years, and Chairman Simpson agreed. But now someone else will have to find it -- the U.S. has too much at stake.

When we met with Bob Simmons, he said if Leadership wanted to add Palau to the NDAA, it could be done on the Rule for the Conf Report. HASC would have no objections as they understand the military/strategic necessity of the Free Association Agreement. At the time, he thought that the bill would be able to absorb the cost.

We would welcome the opportunity to speak with you to obtain guidance at your earliest convenience.

Again, we appreciate all your help for the U.S.'s most loyal ally -- as indicated by its UN votes.

Best,

Jerry Weller

---

**From:** Karem, Robert Story [<mailto:Robert.Karem@mail.house.gov>]

**Sent:** Monday, December 17, 2012 8:41 PM

**To:** Jerry C Weller

**Cc:** Stewart, Jen; Mahan, Roger; Anderson, Doug; St. Martin, Jo Marie; Su, Nien; Jeffrey Farrow ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com))

**Subject:** Re: is this an opportunity?

Unless there is an off-set I'm not sure how this puts us in a better position. And if we have an off-set, this could be done as a stand-alone. I'm not sure what attaching it to the NDAA does to help. Or is Bob Simmons offering to use savings from the bill to pay for the Palau bill?

I haven't seen much indication the Administration has been trying to get this done. Have they identified any new funding source?

---

**From:** Jerry C Weller <[JWeller@nwgpublicaffairs.com](mailto:JWeller@nwgpublicaffairs.com)>

**Date:** Mon, 17 Dec 2012 14:47:38 -0500

**To:** Robert Karem <[robert.karem@mail.house.gov](mailto:robert.karem@mail.house.gov)>

**Cc:** "Stewart, Jennifer" <[Jennifer.Stewart@mail.house.gov](mailto:Jennifer.Stewart@mail.house.gov)>, Roger Mahan <[Roger.Mahan@mail.house.gov](mailto:Roger.Mahan@mail.house.gov)>, "Anderson, Doug" <[Doug.Anderson@mail.house.gov](mailto:Doug.Anderson@mail.house.gov)>, "St. Martin, Jo Marie" <[jomarie@mail.house.gov](mailto:jomarie@mail.house.gov)>, "Su, Nien" <[Nien.Su@mail.house.gov](mailto:Nien.Su@mail.house.gov)>, "Jeffrey Farrow" ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com)) <[jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com)>

**Subject:** is this an opportunity?

Robert,

Good afternoon. Sorry to miss you when I called this afternoon.

I'm circling back regarding the Palau Free Association legislation and the Defense Authorization Act Conference Report. When we met with Bob Simmons at HASC he shared the mechanics of attaching the Palau legislation to the Conference Report in Rules and noted they would not object.

Is this an opportunity to get this done?

We really appreciate your help on this. Thank you.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496 - 3494

Skype: jerry.weller3

## Palau Follow up

Jerry C Weller <JWeller@nwgroupaffairs.com>

Wed 12/19/2012 10:31 AM

To: Cervino, Victor (Rubio) <Victor\_Cervino@rubio.senate.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Victor,

Thanks again for your time this morning.

I just spoke with my Associate Jeff Farrow who will be sending you a background on the Palau Free Association agreement.

Palau just suffered a major typhoon causing major damage which could make the necessary arguments to include it in the emergency supplemental. She consistently votes with the US in the UN regarding US policy towards Cuba, Israel and China. Sometimes she is the only one to vote with the US.

China, Cuba and the Arab League have all made overtures to Palau to change their relationship with the U.S..

The agreement expired two years ago and fortunately, Senator Inouye made sure it was funded through the Interior Appropriations Bill.

Jeff and I are available if you need any additional information. We appreciate your interest and if the Senator can assist, it would make a difference.

Thank you.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496 – 3494

Skype: jerry.weller3

FW: Bingaman-Webb Palau amendment

Jerry C Weller <JWeller@nwgpublicaffairs.com>

Wed 12/19/2012 2:54 PM

To: joel\_starr@inohofe.senate.gov <joel\_starr@inohofe.senate.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

Importance: High

4 attachments

Amendment one para FINAL 7 FLO12803 121712 at 300.pdf; Summary for Emergency Supp amendment 121712 at 1000.doc;  
Letter Palau to ENR urging amend to Emergency Supplemental 121212.docx; Fact sheet for USAID Typhoon Bopha 120712.pdf;

Joel,

**Thank you for the opportunity to speak with you today about the Palau Free Association Free Association Agreement legislation.**

**Attached is a copy of the Bingaman amendment, an explanation, a letter from Palau's ambassador requesting approval through the supplemental because of the Dec. 2-3 disaster in Palau, and AID's fact sheet after declaring Palau a disaster. I will send you a few more important documents.**

**No ally has stood with the U.S. more than Palau in the United Nations and especially when it comes to votes affecting Israel and Cuba policy.**

**We appreciate the Senator's consideration and know of no known opposition to enacting this legislation. It's simply the mechanics of getting this done on the few remaining vehicles this session of the Senate.**

**My cell 815 715 2107 and my colleague Jeff Farrow's 202-744-3995**

FW: Only Palau & Israel w/US on Cuba in UN today

Jerry C Weller <JWeller@nwgroupaffairs.com>

Wed 12/19/2012 2:58 PM

To: joel\_starr@inchofe.senate.gov <joel\_starr@inchofe.senate.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

2 attachments

voting results.pdf; Letter DOD to ENR 050511.pdf

According to the annual State Dept. reports, Palau has voted with the U.S. in the UN more than any member during each of the past few years. Below is the UN tally sheet for votes on the U.S. Cuba embargo, which only Palau and Israel joined the U.S. in supporting. Palau was one of the nine members to recently vote against UN status for the Palestinians.

Also, in the attached Pentagon letter, DoD states that "Failure to follow through on our commitments to Palau, as reflected in the proposed legislation, would jeopardize our defense posture in the Western Pacific. This posture will become increasingly important ..." referring to China. Palau's land and waters are the size of Texas and a vital sea-lane through which China wants access. The Compact of Free Association, which the legislation would continue through 2024, gives the U.S. exclusive military authority in Palau as if it were U.S. territory. The U.S. took the islands from Japan in the bloodiest battle of the Pacific in WWII. It governed them for half a century before making them a state in free association with the U.S. They are a nation but the U.S. has full strategic control. The U.S. also operates some domestic programs and services there. Palauans are citizens of their nation but have free access to the U.S. The Compact was negotiated by the Reagan Administration and requires periodic extensions with the current hiatus having lasted two years.

Again, thank you for your consideration.

*Jerry Weller*

Hon. Jerry Weller  
Member of Congress (Retired)  
Managing Partner  
New World Group Public Affairs LLC  
Telephone: (305) 209 - 6164  
Skype: jerry.weller3

Re: Circling back on your Palau question - Dec. 26th.

Karem, Robert Story <Robert.Karem@mail.house.gov>

Thu 12/27/2012 4:36 PM

To: Jerry C Weller <JWeller@nwpublicaffairs.com>;

cc: Stewart, Jen <jen.stewart@mail.house.gov>; Mahan, Roger <Roger.Mahan@mail.house.gov>; Anderson, Doug <Doug.Anderson@mail.house.gov>; St. Martin, Jo Marie <jomarie@mail.house.gov>; Su, Nien <Nien.Su@mail.house.gov>; Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

I would be more appreciative of Administration statements were they willing to identify funding for this compact that isn't politically toxic for the Natural Resources committee. Perhaps the Supplemental is an appropriate vehicle, though that's a bit above my pay grade. It will certainly be difficult as OMB has not identified this as a priority for the Appropriators, even if State has told individual Senators that it is. Attaching the Palau bill to a supplemental would also require authorizing language and continuing mandatory spending, and I defer to others on whether that would be possible at this late stage even if OMB lists this as an anomaly they very much want to see addressed.

Given uncertainties regarding the end of this Congress and the on-going fiscal cliff negotiations, my sense is that unless the Administration takes ownership of this issue and proposes a way to pay for it in the context of a fiscal cliff deal, it's probably going to have to wait until the next Congress. And even then we'll have to have the Administration cooperating in identifying funding.

My colleagues may have suggestions on how to get this done during the waning days of this Congress, but at the moment I'm skeptical without intervention by the Administration.

From: Jerry C Weller <JWeller@nwpublicaffairs.com>

Date: Wed, 26 Dec 2012 10:26:30 -0500

To: Robert Karem <robert.karem@mail.house.gov>

Cc: Jen Stewart <jen.stewart@mail.house.gov>, Roger Mahan <Roger.Mahan@mail.house.gov>, "Anderson, Doug" <Doug.Anderson@mail.house.gov>, "St. Martin, Jo Marie" <jomarie@mail.house.gov>, "Su, Nien" <Nien.Su@mail.house.gov>, "Jeffrey Farrow (jfarrow@olivergroupinc.com)" <jfarrow@olivergroupinc.com>

Subject: Circling back on your Palau question - Dec. 26th.

Robert, thanks for your continuing efforts.

As to the Appropriations question, because Administration budgets for the past few years contemplated the Agreement as mandatory funding, Interior appropriators have had to take discretionary allocations away from other purposes to continue Palau assistance. They did so at the FY09 level. Chairman Inouye was the leader in this regard; Chm. Simpson followed. It will be tougher without Inouye. When we suggested approving the Agreement through an Interior appropriations bill, Senate Interior Approps staff balked at the initial higher cost in the first year. (As I think you know, the Agreement phases out direct assistance by 2024, making this viable through higher initial assistance during the first few years.)

One downside of annual discretionary appropriations is that they have not included terms of the Agreement. The Agreement includes many sought by the U.S., including regarding U.S. programs and services, Palau fiscal responsibility, etc.

A bigger one is that it makes it impossible for Palau to plan with certainty. This would increase the opportunity for other players with substantial resources and agendas different from the U.S. to make significant inroads. The UAE has said it would provide more than the Agreement. Making a deal with Palau would certainly be worth it to China. Palau's current leaders have rejected these opportunities because of affection for the U.S. and for the Agreement. But, as you probably recall, then Under Secretary of Defense (and, maybe Sec.-to-be) Flounoy told Congress "Failure to follow through on our commitments to Palau, as reflected in the proposed legislation would jeopardize our defense posture in the Western Pacific. This posture will become increasingly important ..." referring to China.

Since we were last in touch, we have heard directly from the president-elect of Palau that he wants to try to renegotiate the Agreement and thinks that it possible because of China. However, the changes he wants are in the Foreign Affairs bill. The current president, though, while preferring the House bill, would take the Senate version (which has a greater cost in the first year but slightly lesser over the period) recognizing that the Administration does not want to renegotiate.

Also, Senate committee Chairman Bingaman, with Sens. Webb, Akaka, and Wyden, has been working on amending the Hurricane Sandy supplemental to approve the Agreement because of Typhoon Bopha. Roger has advised us about the supplemental but Bingaman didn't want to let a possible vehicle pass.

We need your counsel as to how to get Agreement legislation enacted soon.

Would you be available tomorrow to meet briefly or to speak by phone? We will be on the Hill and time flexible.

We really appreciate your attention and hope you regarding the US Palau relationship. Thank you.

Jerry Weller

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**From:** Karem, Robert Story [<mailto:Robert.Karem@mail.house.gov>]

**Sent:** Tuesday, December 18, 2012 5:22 PM

**To:** Jerry C Weller

**Cc:** Stewart, Jen; Mahan, Roger; Anderson, Doug; St. Martin, Jo Marie; Su, Nien; Jeffrey Farrow ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com))

**Subject:** Re: is this an opportunity?

Mr. Weller:

I discussed this idea with Bob Simmons, who said his message to you was that the only way this could have been accomplished would be for the Senate to include this in their bill. There were zero provisions "air-dropped" into the conference report, so since the Senate didn't act while they were considering their version of the bill it was impossible to add anything to the conference report on Palau.

Have you had conversations with House or Senate appropriators about increasing the funding for Palau to the new levels through discretionary appropriations?

RSK

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**From:** Jerry C Weller <[JWeller@nwpublicaffairs.com](mailto:JWeller@nwpublicaffairs.com)>

**Date:** Tue, 18 Dec 2012 16:12:18 -0500



To: Robert Karem <[robert.karem@mail.house.gov](mailto:robert.karem@mail.house.gov)>

Cc: Jen Stewart <[jen.stewart@mail.house.gov](mailto:jen.stewart@mail.house.gov)>, Roger Mahan <[Roger.Mahan@mail.house.gov](mailto:Roger.Mahan@mail.house.gov)>, "Anderson, Doug" <[Doug.Anderson@mail.house.gov](mailto:Doug.Anderson@mail.house.gov)>, "St. Martin, Jo Marie" <[jomarie@mail.house.gov](mailto:jomarie@mail.house.gov)>, "Su, Nien" <[Nien.Su@mail.house.gov](mailto:Nien.Su@mail.house.gov)>, "Jeffrey Farrow" ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com)) <[jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com)>

Subject: RE: is this an opportunity?

Robert,

As always, thank you. We have been exploring all options, and the NDAA was raised as a possible option by some of your colleagues. Senate staff suggested the Emergency Supplemental -- which Roger then cautioned us about -- and there was a suggestion of the Omnibus -- that seems to be later in line. Perhaps we will have to wait until the so-called "Grand Bargain" on the 'fiscal cliff' -- which should have enough savings for the small amount for Palau, but it seems prudent to explore other options in the interim as we're getting so near the end of the Congress.

We have encouraged the Administration to express to you the priority that they otherwise are saying Palau is. They seem to have been more active in the Senate.

One of the challenges that we have is Committee staff suggest it is a Leadership decision on how Palau will get done and they are awaiting direction -- which is why we have been reaching out to you for the best vehicle. As I mentioned before, the incoming president of Palau is said to have suggested that he will try to improve the Agreement if Congress does not act before he is sworn in January 15<sup>th</sup>. We will discourage that because of the environment here but understand that he would want to have his own accomplishment.

Also, if the legislation is not enacted, Congress will still need to fund Palau through discretionary appropriations (the Interior Bill). Chairman Inouye found the money during the last couple of years, and Chairman Simpson agreed. But now someone else will have to find it -- the U.S. has too much at stake.

When we met with Bob Simmons, he said if Leadership wanted to add Palau to the NDAA, it could be done on the Rule for the Conf Report. HASC would have no objections as they understand the military/strategic necessity of the Free Association Agreement. At the time, he thought that the bill would be able to absorb the cost.

We would welcome the opportunity to speak with you to obtain guidance at your earliest convenience.

Again, we appreciate all your help for the U.S.'s most loyal ally -- as indicated by its UN votes.

Best,

Jerry Weller

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From: Karem, Robert Story [<mailto:Robert.Karem@mail.house.gov>]

Sent: Monday, December 17, 2012 8:41 PM

To: Jerry C Weller

Cc: Stewart, Jen; Mahan, Roger; Anderson, Doug; St. Martin, Jo Marie; Su, Nien; Jeffrey Farrow ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com))

Subject: Re: is this an opportunity?

Unless there is an off-set I'm not sure how this puts us in a better position. And if we have an off-set, this could be done as a stand-alone. I'm not sure what attaching it to the NDAA does to help. Or is Bob Simmons offering to use savings from the bill to pay for the Palau bill?

I haven't seen much indication the Administration has been trying to get this done. Have they identified any new funding source?

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**From:** Jerry C Weller <[JWeller@nwgrouppublicaffairs.com](mailto:JWeller@nwgrouppublicaffairs.com)>

**Date:** Mon, 17 Dec 2012 14:47:38 -0500

**To:** Robert Karem <[robert.karem@mail.house.gov](mailto:robert.karem@mail.house.gov)>

**Cc:** "Stewart, Jennifer" <[Jennifer.Stewart@mail.house.gov](mailto:Jennifer.Stewart@mail.house.gov)>, Roger Mahan <[Roger.Mahan@mail.house.gov](mailto:Roger.Mahan@mail.house.gov)>, "Anderson, Doug" <[Doug.Anderson@mail.house.gov](mailto:Doug.Anderson@mail.house.gov)>, "St. Martin, Jo Marie" <[jomarie@mail.house.gov](mailto:jomarie@mail.house.gov)>, "Su, Nien" <[Nien.Su@mail.house.gov](mailto:Nien.Su@mail.house.gov)>, "Jeffrey Farrow" ([jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com))" <[jfarrow@olivergroupinc.com](mailto:jfarrow@olivergroupinc.com)>

**Subject:** is this an opportunity?

Robert,

Good afternoon. Sorry to miss you when I called this afternoon.

I'm circling back regarding the Palau Free Association legislation and the Defense Authorization Act Conference Report. When we met with Bob Simmons at HASC he shared the mechanics of attaching the Palau legislation to the Conference Report in Rules and noted they would not object.

Is this an opportunity to get this done?

We really appreciate your help on this. Thank you.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (202) 496 - 3494

Skype: jerry.weller3

## follow up from call regarding Palau

Jerry C Weller <JWeller@nwgpublicaffairs.com>

Thu 12/27/2012 10:59 AM

To: joel\_starr@in.hofe.senate.gov <joel\_starr@in.hofe.senate.gov>;

Cc: Jeffrey Farrow (jfarrow@olivergroupinc.com) <jfarrow@olivergroupinc.com>;

4 attachments

voting results.pdf; Background regarding US - Palau Free Association Agreement.pdf; Palau stands with US regarding Israel per State Dept.docx; China Palau Map.docx;

Joel, good morning. Tried to telephone you this morning to touch base on Palau. We are asking your support and wanted to ask your advice.

My cell is 815 715 2107. Thank you.

Jerry Weller

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**From:** Jerry C Weller

**Sent:** Thursday, December 27, 2012 10:29 AM

**To:** Jerry C Weller

**Cc:** jfarrow@olivergroupinc.com

**Subject:** Background Materials in advance of vote on Bingaman/Akaka Amendment to continue US Palau Free Association Agreement

**Good morning. Recognizing the Senator's past support of the free association between the U.S. and the western Pacific islands of Palau crafted during the Reagan and George H.W. Bush Administrations, we wanted to provide you some background materials in advance of the vote on the Bingaman-Webb-Akaka-Wyden Amendment to the Hurricane Sandy Supplemental to effectuate the Agreement required by the Compact of Free Association to continue it. Earlier this month, Palau was devastated by Typhoon Bopha, and the Agreement includes assistance that it needs for recovery.**

**Because of Executive branch delays in negotiating the Agreement and sending it to this Congress, the Congress has had to find discretionary appropriations to continue the relationship. The Agreement would phase assistance downs through 2024.**

**According to the annual State Dept. reports, Palau has voted with the U.S. in the U.N. more than any member during each of the past few years. Below is the UN tally sheet for votes on the U.S. Cuba embargo, which only Palau and Israel joined the U.S. in supporting. Palau was one of the nine members to recently vote against U.N. status for the Palestinians.**

**Also, in the attached Pentagon letter, DoD states that "Failure to follow through on our**

commitments to Palau, as reflected in the proposed legislation, would jeopardize our defense posture in the Western Pacific. This posture will become increasingly important ..." referring to China. Palau's land and waters are the size of Texas and a vital sea-lane through which China wants access. The Compact gives the U.S. exclusive military authority in Palau as if it were U.S. territory. The U.S. took the islands from Japan in the bloodiest battle of the Pacific in WWII. It governed them for half a century before making them a state in free association with the U.S. They are a nation but the U.S. has full strategic control. The U.S. also operates some domestic programs and services there, and Federal agencies need changes in terms that would be made by the Agreement. Palauans are citizens of their nation but have free access to the U.S. The Agreement also includes a provision to ensure better U.S. border control. If the Agreement is not effectuated by January 15th, it will have to be renegotiated, possibly at a higher cost.

Thank you for your consideration of the Bingaman-Webb-Akaka-Wyden Amendment to H.R. 1.

*Jerry Weller*

Hon. Jerry Weller

Member of Congress (Retired)

Managing Partner

New World Group Public Affairs LLC

Telephone: (305) 209 - 6164

Skype: jerry.weller3

Re: Catching up

Jerry C Weller <JWeller@nwpublicaffairs.com>

Tue 1/15/2013 5:21 PM

To: Nien.Su@mail.house.gov <Nien.Su@mail.house.gov>; Jeff Farrow <jfarrow@olivergroupinc.com>;

Thanks. Jeff and I will call you at 11 tomorrow.

Sent from my HTC Inspire™ 4G on AT&T

----- Reply message -----

From: "Su, Nien" <Nien.Su@mail.house.gov>

To: "Jerry C Weller" <JWeller@nwpublicaffairs.com>; "Jeff Farrow" <jfarrow@olivergroupinc.com>

Subject: Catching up

Date: Tue, Jan 15, 2013 4:10 pm

202-226-5735 is my new direct

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**From:** Jerry C Weller [mailto:JWeller@nwpublicaffairs.com]

**Sent:** Tuesday, January 15, 2013 4:09 PM

**To:** Su, Nien; Jeff Farrow

**Subject:** Re: Catching up

Can we call you at 11am? What is the best number?

Sent from my HTC Inspire™ 4G on AT&T

----- Reply message -----

From: "Su, Nien" <Nien.Su@mail.house.gov>

To: "Jerry C Weller" <JWeller@nwpublicaffairs.com>, "&apos;jfarrow@olivergroupinc.com&apos;"  
<jfarrow@olivergroupinc.com>

Subject: Catching up

Date: Tue, Jan 15, 2013 3:08 pm

Yes.

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**From:** Jerry C Weller [mailto:JWeller@nwpublicaffairs.com]

**Sent:** Tuesday, January 15, 2013 02:54 PM

**To:** Su, Nien; Jeff Farrow <jfarrow@olivergroupinc.com>

**Subject:** Catching up

Nien, Good afternoon. sorry to miss you when I called. Congratulations on joining the Full Committee staff. It's a great opportunity. Is there a good time for you tomorrow to catch up on Palau? Thanks.  
Jerry Weller

Sent from my HTC Inspire™ 4G on AT&T



December 12, 2012

Honorable Jeff Bingaman  
Chairman  
Committee on Energy and Natural Resources  
United States Senate  
Washington, DC 20510

Dear Senator Bingaman:

I am writing on behalf of the Government of Palau, which, as you know, is a state in free association with the United States after half a century of U.S. administration. The purpose is to request that language to effectuate the Agreement signed by representatives of the U.S. and Palau to continue the association be added to the legislation to make appropriations in the wake of Hurricane Sandy.

Super Typhoon Bopha caused widespread devastation in Palau a week ago, and made approval of Agreement legislation all the more urgent. It would provide our islands with assistance for infrastructure, infrastructure maintenance, and essential public services that are even more direly needed because of the storm. Some schools and other public infrastructure have been completely destroyed with others seriously damaged. Hundreds of people have been left homeless with some 100 dwellings totally demolished and others in need of major repair. Power, water, and sewer service have been knocked out for a substantial portion of the population for the foreseeable future. Roads are impassable because of debris and damage.

Agreement legislation has been requested by the U.S. Executive branch and is supported by the leaders and other key members on both sides of the aisles of both houses of the U.S. Congress as well as by the leaders of both political parties in all of the committees of jurisdiction. No Member of Congress has questioned it.

Palau hopes that you will lead the Congress in passing legislation regarding the Agreement this year.

Respectfully,

A handwritten signature in dark ink, appearing to read "Hersey Kyota".

Hersey Kyota  
Ambassador

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202 452-6814 • Fax 202 452-6815  
[www.palauembassy.com](http://www.palauembassy.com)

### Palau Free Association Review Agreement

#### Background

The United States took Palau from Japan in one of the bloodiest battles of World War II. It later convinced the United Nations to let it administer the islands and others taken from Japan with a pledge to develop them economically, socially, and into self-government.

To ensure continued military control, the U.S. extended domestic programs to develop reliance on the U.S. and encouraged the status of free association as an alternative to independence for Palau and other groups of the islands. The Reagan Administration then negotiated Compacts of Free Association with the three groups: Micronesia; the Marshall Islands; and Palau. A significant minority opposed the Compact in Palau but it was approved after laws sought by the Reagan and George H.W. Bush Administrations were enacted and seven referenda in the islands. It was put into effect in 1994 after the U.S. won U.N. Security Council approval despite Russian and Chinese reservations.

The Compact with Palau gives the U.S. military control over an area the size of Texas between the Philippines, Indonesia, and Guam almost as if it were U.S. territory and base rights for 50 years. This is authority that the Defense Department terms "vital" to U.S. security and "increasingly important." With Guam and the Northern Mariana Islands being U.S. territory, the control provides a long, solid line of U.S. dominance in the Western Pacific. And it eliminates a need for Defense spending to secure the area.

The Compact also specified U.S. assistance and programs for 15 years, mandates periodic joint reviews of the relationship and Palau's further assistance needs during the 50 years, and commits the U.S. to act on the findings. It also gives Palauans free access to the U.S.

Under the association, Palau has voted with the U.S. in the U.N. more than any other U.N. member, including on issues such as Israel and Cuba. Over strong objections from China, which had sought to establish greater economic connections with Palau, Palau took Uighurs from China found by the Bush Administration to have been wrongfully held at Guantanamo when no other nation would, ultimately housing more foreign detainees than any place but predominantly-Muslim Albania. And Palauans serve in the U.S. military -- with many having lost their lives or limbs in U.S. peacekeeping abroad.

#### Agreement

Congress approved revised compacts with the Marshall Islands and Micronesia in 2003. The Bush Administration also initiated the first Review with Palau. It resulted in an Agreement signed in 2010 and submitted to Congress a year ago. The Agreement would phase out assistance by the next review in Fiscal Year 2024, providing \$189,456,000 more than has been appropriated since the Agreement was signed through FY24.



The total is 62% less than during the first period of free association -- in contrast to a 63% increase for the Marshall Islands and 47% increase for Micronesia in their revised compacts. The decrease has given an argument for those in Palau who favor seeking assistance from China, which wants to use Palau's sea-lanes, or from Arab nations that have said they would provide aid in return for Palau breaking from the U.S. in the U.N.

Most of the Agreement's assistance is for public safety, health, and education. \$2 million a year is to maintain infrastructure that the U.S. considered essential and requires local matching. \$40 million is for additional critical infrastructure, such as correcting deficiencies in a hospital built under U.S. auspices and high-speed Internet connectivity.

The Agreement would also approve revisions to seven agreements subsidiary to the Compact sought by U.S. agencies concerning civil aviation, U.S. Weather and Postal Services operations, and telecommunications services. It would, additionally, amend the Compact to impose a U.S.-sought passport requirement for border security.

The Agreement would, further, require Palauan budget reforms, such as avoiding deficits, reducing payroll and assistance for utilities, and tax rate and collection improvements. A joint panel with a majority of members named or agreed to by the U.S. would specify the reforms, and funds could be withheld if reforms are not implemented.

The approval legislation would also provide the U.S. Postal Service \$1.5 million a year for costs related to the three freely associated states, including \$300,000 related to Palau.

#### Cost Offset

No one in Congress has questioned the Agreement and members of both parties have expressed strong support. But disagreements on a cost offset for appropriations that would be considered mandatory spending, as assistance during the first 15 years of free association was and assistance to Micronesia and the Marshall Islands continues to be, has held up approval. The Interior Department, which provides most Compact assistance, and OMB proposed cuts in other Interior mandatory spending to offset the cost but Natural Resources Committee Chairman Hastings and Ranking Minority Member Markey and their Senate counterparts said the proposals could not pass the committees. One, which would save \$441 million over 10 years, has been enacted annually since 2008 through appropriations bills but Senate Appropriations Committee Majority staff object to using it since its funds are being used for other purposes.

Foreign Affairs Subcommittee Chairman Manzullo and Ranking Minority Member Faleomavaega are trying to identify cuts in State Department discretionary appropriations and bipartisan staff of the Senate Energy Committee are trying to identify unused Interior discretionary appropriations authorizations but they and Senate Appropriations Majority staff would prefer that OMB identify a more viable mandatory appropriations offset proposal; the State legal adviser says that the Agreement may not be able to be put into effect if the funding provisions are discretionary vs. mandatory; and providing for discretionary instead of mandatory appropriations would be controversial in Palau.

U.S. Interests

Approval of the legislation is needed to:

- Preserve military control over a vast, strategic expanse of the western Pacific.
- Prevent the creation of a power vacuum that China would like to fill -- and to prevent Palau from needing China's assistance or aid from Arab states.
- Ensure at least one vote with the U.S. in the U.N. on issues like Israel and Cuba.
- Prevent the need for increased military spending to secure the Western Pacific.
- Preserve military base rights.
- Obtain changes in the Compact and subsidiary agreements sought by U.S. agencies to increase U.S. border security and in areas such as aviation, telecommunications, and weather monitoring.
- Honor international commitments -- to Palau and to the U.N. Security Council.

SER. NO: 406  
 ITEM: 41  
 SYMBOL: A/67/L.2  
 DRAFT RESOLUTION

GENERAL ASSEMBLY  
 67TH  
 PLENARY MEETING: 35  
 RECORDED VOTE ADOPTED

RESOLUTION 67/4

DATE: 13 NOV 12  
 TIME: 12:40 PM  
 VOTE: 1

YES: 188  
 NO: 3  
 ABSTAIN: 2

SUBJECT: NECESSITY OF ENDING THE ECON, COMM, FIN EMBARGO BY US AGAINST CUBA

Y AFGHANISTAN	Y DOMINICA	Y LIECHTENSTEIN	Y SAMOA
Y ALBANIA	Y DOMINICAN REP	Y LITHUANIA	Y SAN MARINO
Y ALGERIA	Y ECUADOR	Y LUXEMBOURG	Y S TOME PRINCIPE
Y ANDORRA	Y EGYPT	Y MADAGASCAR	Y SAUDI ARABIA
Y ANGOLA	Y EL SALVADOR	Y MALAWI	Y SENEGAL
Y ANTIGUA-BARBUDA	Y EQUAT GUINEA	Y MALAYSIA	Y SERBIA
Y ARGENTINA	Y ERITREA	Y MALDIVES	Y SEYCHELLES
Y ARMENIA	Y ESTONIA	Y MALI	Y SIERRA LEONE
Y AUSTRALIA	Y ETHIOPIA	Y MALTA	Y SINGAPORE
Y AUSTRIA	Y FIJI	A MARSHALL ISLANDS	Y SLOVAKIA
Y AZERBAIJAN	Y FINLAND	Y MAURITANIA	Y SLOVENIA
Y BAHAMAS	Y FRANCE	Y MAURITIUS	Y SOLOMON ISLANDS
Y BAHRAIN	Y GABON	Y MEXICO	Y SOMALIA
Y BANGLADESH	Y GAMBIA	A MICRONESIA (FS)	Y SOUTH AFRICA
Y BARBADOS	Y GEORGIA	Y MONACO	Y SOUTH SUDAN
Y BELARUS	Y GERMANY	Y MONGOLIA	Y SPAIN
Y BELGIUM	Y GHANA	Y MONTENEGRO	Y SRI LANKA
Y BELIZE	Y GREECE	Y MOROCCO	Y SUDAN
Y BENIN	Y GRENADA	Y MOZAMBIQUE	Y SURINAME
Y BHUTAN	Y GUATEMALA	Y MYANMAR	Y SWAZILAND
Y BOLIVIA	Y GUINEA	Y NAMIBIA	Y SWEDEN
Y BOSNIA/HERZEG	Y GUINEA-BISSAU	Y NAURU	Y SWITZERLAND
Y BOTSWANA	Y GUYANA	Y NEPAL	Y SYRIAN AR
Y BRAZIL	Y HAITI	Y NETHERLANDS	Y TAJIKISTAN
Y BRUNEI DAR-SALAM	Y HONDURAS	Y NEW ZEALAND	Y THAILAND
Y BULGARIA	Y HUNGARY	Y NICARAGUA	Y TFYR MACEDONIA
Y BURKINA FASO	Y ICELAND	Y NIGER	Y TIMOR-LESTE
Y BURUNDI	Y INDIA	Y NIGERIA	Y TOGO
Y CAMBODIA	Y INDONESIA	Y NORWAY	Y TONGA
Y CAMEROON	Y IRAN (ISL R)	Y OMAN	Y TRINIDAD-TOBAGO
Y CANADA	Y IRAQ	Y PAKISTAN	Y TUNISIA
Y CAPE VERDE	Y IRELAND	N PALAU	Y TURKEY
Y CENTRAL AFR REP	N ISRAEL	Y PANAMA	Y TURKMENISTAN
Y CHAD	Y ITALY	Y PAPUA N GUINEA	Y TUVALU
Y CHILE	Y JAMAICA	Y PARAGUAY	Y UGANDA
Y CHINA	Y JAPAN	Y PERU	Y UKRAINE
Y COLOMBIA	Y JORDAN	Y PHILIPPINES	Y UA EMIRATES
Y COMOROS	Y KAZAKHSTAN	Y POLAND	Y UNITED KINGDOM
Y CONGO	Y KENYA	Y PORTUGAL	Y UR TANZANIA
Y COSTA RICA	Y KIRIBATI	Y QATAR	N UNITED STATES
Y COTE D'IVOIRE	Y KUWAIT	Y REP OF KOREA	Y URUGUAY
Y CROATIA	Y KYRGYZSTAN	Y REP OF MOLDOVA	Y UZBEKISTAN
Y CUBA	Y LAO PDR	Y ROMANIA	Y VANUATU
Y CYPRUS	Y LATVIA	Y RUSSIAN FED	Y VENEZUELA
Y CZECH REPUBLIC	Y LEBANON	Y RWANDA	Y VIET NAM
Y DPR OF KOREA	Y LESOTHO	Y ST KITTS-NEVIS	Y YEMEN
Y DEM REP OF CONGO	Y LIBERIA	Y SAINT LUCIA	Y ZAMBIA
Y DENMARK	Y LIBYA	Y ST VINCENT-GREN	Y ZIMBABWE
Y DJIBOUTI			

Palau continues to vote with the U.S. in the U.N. more than any other member. Attached are the latest State Dept. report on U.N. votes preceded by a chart summarizing voting with the U.S. distilled from the report. Obviously, we should use this.

	Votes Only	Votes + Consensus	10 Important Votes	17 Anti-Israel Votes
Palau	97.3%	99.2%	100%	100%
FSM	96.8%	99.0%	100%	100%
Nauru	95.5%	98.6%	85.7%	100%
Israel	92.8%	98.0%	100%	100%
Canada	91.4%	97.4%	88.9%	100%
RMI	89.6%	96.9%	100%	100%
All Member States	51.5%	85.9%	52.9%	4.1%

Key:

**Votes Only**= Coincidence percentage only for the 85 GA votes where the US voted Yes or No

**Votes + Consensus**= Coincidence percentage only for the 85 GA votes where the US voted Yes or No plus a pro-rated portion of all consensus resolutions.

**10 Important Votes**= Coincidence percentage only for 10 important resolutions that are directly affected US interests and on which the US lobbied extensively.

**17 Anti-Israel Votes**= Coincidence percentage only for 17 resolutions specifically related to Israel that are opposed by the US.

The State report issued May 14th can be found at this link and below.

(<http://www.state.gov/p/io/rls/rpt/2011/practices/index.htm>)

The U.S. Department of Defense's South and Southeast Asia Director, Brigadier General Richard Simcock, delivered a very strong military case for the Compact Review Agreement in the context of Chinese plans and policy today at the Congressional China Caucus briefing.

His visual for the briefing was a Chinese map of Pacific Ocean aims with Palau a key element.

FYI ONLY, points made at the briefing included:

- recalling U.S. sacrifices in Palau during World War II;
- comparing (and contrasting) the situation regarding China today with that regarding Japan leading up to WW II;
- explaining China's need for resources and sea lanes that it does not have now, including to the Indian Ocean, and how Palau is central to this;
- the U.S. need because the U.S. cannot patrol the entire Pacific;
- Chinese overtures and investments in the region and long-term approach;
- the military rights and benefits of the Agreement and how cost-effective they are;
- Palau's greater support of the U.S. in the U.N. than any other nation, importance relating to tuna, and Palauan service and sacrifice in the U.S. military;
- the likelihood that China would try to fill the vacuum if the U.S. Congress does not approve the Agreement and would probably like to see a lessening of the relationship between the U.S. and Palau; and
- the likely movement of some U.S. military assets from the Northeast Pacific to the Southeast area that includes Palau.

